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First United Nations Decade for the Eradication of Poverty (1997-2006)

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Report of the Secretary-General**

Summary

The present report responds to General Assembly resolution 55/210 in which the Secretary-General is requested to submit to the Assembly at its fifty-sixth session a comprehensive review containing an evaluation of progress made towards achieving the goals of the first United Nations Decade for the Eradication of Poverty (1997-2006) and the 2015 target for poverty reduction and recommendations for further action to achieve the 2015 targets, including the identification of resource requirements and possible sources of funding. The General Assembly also requested the Secretary-General to undertake and report on consultations with Member States and all relevant stakeholders on the proposal to establish a world solidarity fund for poverty eradication.

The report finds that, despite progress in reducing overall poverty, progress is mixed when examined at the regional and national levels. In terms of the poverty reduction target, various studies predict that, while the target is likely to be achieved for the world as a whole, if current growth rates in China and India are maintained, many countries, particularly those in sub-Saharan Africa, are not likely to achieve it at the national level.

The report finds that countries that are currently not on track to achieve the poverty reduction goal and the other millennium development goals will need to accelerate economic growth and promote social development, taking into account the multidimensional nature of poverty and the need to achieve pro-poor growth. However, despite the best efforts of developing countries fully to mobilize domestic financial resources for poverty eradication, official development assistance will remain a critically important additional source of development financing for many developing countries, particularly the least developed countries, if they are to have a good chance of achieving the poverty reduction goal by 2015.

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The report in section VI provides a summary of views on the proposal to establish a world solidarity fund for poverty eradication. The views were sought by the Secretary-General in a note verbale sent to all Member States and all relevant stakeholders. In general, there was broad support for the proposal.

The report concludes with recommendations for further action to achieve the 2015 targets. A summary of coordination at the intergovernmental level and activities of the United Nations system in support of national efforts to eradicate poverty is provided in annex II.

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I. Progress in poverty reduction

1. The goal to halve, by the year 2015, the proportion of the world's people whose income is less than US$ 1 a day was reaffirmed by the Millennium Summit in its Declaration of September 2000 (resolution 55/2, para. 19). The Declaration provides a significant time-bound goal for income-poverty reduction within the framework of the first United Nations Decade for the Eradication of Poverty and introduces a yardstick by which to measure efforts to eradicate poverty. The Millennium Declaration also provides other time-bound goals which address the various dimensions of poverty.

2. The present section should be read in conjunction with the comprehensive report of the Secretary-General on the implementation of the outcome of the World Summit for Social Development (A/AC.253/13-E/CN.5/2000/2) which provides national reports on progress in poverty eradication, the report of the Secretary-General on the road map towards the implementation of the Millennium Declaration which discusses the Millennium development goals, and the report of the Secretary-General on implementation of the outcome of the World Summit on Social Development and of the twenty-fourth special session of the General Assembly (A/56/140), which provides an overview of follow-up taken by intergovernmental bodies and the United Nations system.

Global and regional trends in poverty reduction

3. The latest data from the World Bank indicate that extreme poverty declined slowly in developing countries during the 1990s. Between 1990 and 1998, the share of the population living on less than $1 a day fell from 29 to 23.4 per cent, and the number of poor people decreased by about 100 million (table 1). But these global figures are heavily influenced by high rates of growth in countries with large numbers of poor people. In particular, China had a big impact: during the 1990s its per capita GDP rose by 9 per cent per year, and by 1998 its share of the world's poor dropped from about one fourth to less than one fifth over the period.

4. However, the global estimates mask important regional variations in poverty reduction. In East Asia, poverty declined most rapidly during the 1990s, led by sharp declines in China. In South Asia, the proportion of the population living below the poverty line declined moderately through the 1990s, but the absolute number of poor did not fall. In Latin America, both the share and the number of poor declined between 1990 and 1998, but in sub-Saharan Africa, slow growth increased both the share and the number of the poor over the 1990s.

5. Africa is now the region with the largest share of people living on less than $1 per day. In the Middle East and North Africa, the percentage of people living on less than $1 per day declined slightly. In the countries with economies in transition poverty rose sharply during the 1990s.

Progress in selected countries

6. The fourth edition of the World Bank's *Poverty Trends and Voices of the Poor, 2001* reports on recent progress in poverty reduction for selected countries on the basis of data derived primarily from surveys using national poverty lines, not the $1 a day poverty line.[1] In East Asia, the sharp decline in poverty in China during the 1990s was accompanied by widening income inequality between the country's more rural western provinces and the more industrialized east, which probably slowed the overall rate of poverty reduction for the country. In other parts of East Asia, poverty increased in the wake of the 1997-1998 financial crisis. In Indonesia, poverty increased to twice its pre-crisis level. However, there are indications that poverty has declined significantly since early 1999. Additional evidence on progress on the basis of survey results based on national poverty lines show that in the Republic of Korea urban poverty increased from 8.6 to 15.7 per cent by the end of 1998. In Thailand, poverty increased by less than expected in the wake of the financial crisis, and the urban middle class appears to have borne the brunt of the economic downturn. In Viet Nam, the incidence of poverty dropped from 58 per cent in 1993 to 37 per cent in 1998, largely reflecting significant poverty reduction stimulated by agricultural diversification and economic growth. In Cambodia the incidence of poverty declined from 39 to 36 per cent between 1993/94 and 1997, but rural poverty declined less than urban poverty.

7. In South Asia, data from household surveys indicate that average consumption has grown slowly in rural areas, reflecting slow growth in agriculture, and that urban poverty appears to have declined faster than rural poverty. In Bangladesh, steady growth reduced the incidence of poverty during the 1990s, but poverty

fell faster in urban than in rural areas where there was higher unemployment and slower growth in wages. Poverty reduction has slowed in Pakistan, and in Sri Lanka there has been very slow progress in reducing poverty, despite adequate GDP growth.

8. In Latin America, survey data indicate that not all countries achieved the same degree of progress in poverty reduction during the 1990s. In Brazil, the poor have gained from stronger growth and the decrease in inflation, despite a rise in poverty in the wake of the 1997-1999 crisis; poverty has decreased since late 1999 as growth has rebounded. In Argentina, poverty, as measured by the national poverty line, fell from 40 per cent in 1990 to a low of 22 per cent in 1994 but rose to 29.4 per cent by 1998. Poverty rates in Nicaragua, according to national poverty lines, declined slightly, from 50 to 48 per cent, between 1993 and 1998, but the number of people living below the poverty line increased.

9. In sub-Saharan Africa, Nigeria alone accounts for nearly one fourth of the region's poor and, based on the national poverty line, the number of people living in extreme poverty rose steeply, to about 70 million. Urban poverty has grown faster than rural poverty, owing to massive migration from rural areas to the cities. In Ethiopia, the evidence suggests that the rural poverty rate fell as a result of reforms implemented after the end of the civil war in the early 1990s. The implementation of agricultural price liberalization has boosted the growth of rural incomes, but urban poverty appears to be unchanged. Unfortunately, progress is likely to have been slowed by the border conflict. The available data, for different time periods, show that in Burkina Faso (1994-1998), Ghana (1988-1992) and Zambia (1991-1996) the percentage of people living below the national poverty line decreased in rural areas, while increasing in urban areas.

10. In the Russian Federation, poverty, as measured by the national definition, rose from about 11 per cent during the Soviet period to 43 per cent by 1996, and probably increased further with the 1998 crisis. Moldova experienced a sharp worsening of poverty and, according to the national poverty line, poverty increased from 35 to 46 per cent between 1997 and 1998 alone. Between 1991 and 1999, the number of people in wage employment was halved, and the average wage fell to 23 per cent of its level at the beginning of the decade.[2] In Kyrgyzstan in 1997, rural poverty accounted for about 80 per cent of all people in poverty.

Other dimensions of poverty

11. In its *Human Development Report 2001*, the United Nations Development Programme (UNDP) reports that there has been progress in the other dimensions of poverty.[3] The number of undernourished people in the developing world fell by 40 million between 1990-1992 and 1996-1998, and about 80 per cent of the people in the developing world now have access to clean water sources. By 1997 more than 70 countries had primary net enrolment ratios of over 80 per cent, and in 29 of the 46 countries with data, 80 per cent of children enrolled reach grade five. Gender equality is improving, and by 1997 the female enrolment ratio in developing countries had reached 89 per cent of the male ratio at the primary level and 82 per cent at the secondary level.

12. Currently, 32 countries have achieved a reported maternal mortality ratio of less than 20 per 100,000 live births. Globally, over the period 1990-1999, infant mortality was reduced by more than 10 per cent from 64 per 1,000 live births to 56; under-five mortality was reduced from 9[illegible] per 1,000 live births to 80 over the same period. Despite the lack of good trend data, HIV/AIDS prevalence is showing signs of decline in a few countries, such as Uganda and possibly Zambia. The number of countries adopting sustainable development strategies rose from fewer than 25 in 1990 to more than 50 in 1997.

13. Yet, despite this progress, the UNDP *Human Development Report 2001* shows that there are still serious challenges ahead for Governments and the international community. In the developing world there were an estimated 841 million people undernourished in 1999, and about 1.1 billion people still lack access to clean water sources. With regard to education, provision must be made, in the next 15 years, for the 113 million children now out of primary school and the millions more who will enter the school-age population. The secondary enrolment ratio of girls to boys is still less than two thirds in 20 countries. There are still significant challenges ahead to reduce maternal, infant and under-five mortality rates. In 21 countries the reported maternal mortality ratio exceeds 500 per 100,000 live births. Sub-Saharan Africa has an infant mortality rate of more than 100 and an under-five mortality rate of more than 170 and has been

making slower progress than other regions. Urgent action is needed to address the HIV/AIDS pandemic: around 36 million people are currently living with HIV/AIDS.

II. Achieving the poverty reduction goal

14. Attaining the poverty reduction and other millennium development goals within the set time frame will not be easy. For many countries, it will be necessary to take concrete steps to ensure that faster and more pro-poor economic growth is achieved between now and 2015 if they are to have a real chance of meeting the 2015 target.

UNDP projections

15. UNDP has made projections to determine the extent to which countries are likely to achieve the poverty reduction and other millennium development goals. The results of the exercise, which was undertaken for non-OECD countries, are summarized in table 2.

16. With regard to the goal of halving the proportion of population living in extreme poverty by 2015, two different economic growth scenarios were studied. In the first, it was assumed that the pace and the pattern of future economic growth in the countries would be those observed during the 1990s; in the second scenario it was assumed that countries would achieve more broad-based — that is more pro-poor — growth over the period.

17. Projections using the first scenario suggest that only 11 countries, including India and China, with more than 40 per cent of the world's population, are on track to meet the poverty reduction goal. On the other hand, 70 countries are estimated to be far behind or slipping in terms of their ability to halve the poverty rate by 2015. In the second scenario, where more pro-poor economic growth is assumed, the projections suggest that 29 countries would be on track to achieve the goal by 2015; the number of countries estimated to be far behind or slipping in terms of attaining the goal would fall to 50.

18. With regard to the other Millennium Declaration development goals, the projections undertaken by UNDP suggest that for many countries the targets are also unlikely to be attained. In the case of the goal to halve the population without access to safe drinking water, only 50 countries have achieved or are on track; 83 countries are lagging or far behind. As for the goal to reduce maternal mortality by three quarters, 62 countries are on track while 83 are lagging or far behind. The situation is perhaps most serious for under-five mortality, where 83 countries are lagging or far behind; in 10 countries under-five mortality rates are increasing (table 2). As for the goal relating to HIV/AIDS, there are insufficient data to provide any clear indication of future trends. However, the global prevalence of the disease among adults is still on the rise, with only a handful of countries showing signs of decline. At the end of 2000 about 36 million people were living with HIV/AIDS, of which 70 per cent were living in sub-Saharan Africa.[4]

World Bank projections

19. The World Bank has also carried out projections to determine whether countries can achieve the poverty reduction goal.[5] Their study assumes two different scenarios. In scenario A, with economies assumed to grow at the World Bank forecast rate, or the "base case", the world as a whole would be on track to halve the share of people living on less than $1 per day by 2015, and the total number of poor people is projected to decline to about 800 million. But not all regions would be on track. In particular, Africa would be far from reaching the goal even under the favourable base-case growth scenario. In scenario B, with economies assumed to grow at less than forecasted growth rates, or the "low case", the world as a whole would not reach the target by 2015, and the total number of poor people in the world (excluding China) would remain unchanged from the 1990 level of about 1 billion. However, unlike the result in scenario A, only the East Asian region would be able to reach the poverty reduction goal.

20. The World Bank notes that if aggregate gross domestic product (GDP) growth in developing countries over the next 15 years were to equal the average attained during the 1990s, then progress in poverty reduction would be even slower than in scenario B, and the number of people living on less than $1 a day at the end of the forecast period would be only marginally lower than in 1998. The number of poor based on the $2 per day level would actually increase. Even in the most optimistic scenario, 2.3

billion people would still be living on less than $2 per day in 2015. Thus, the global war on poverty is likely to be with us well into the twenty-first century.

21. The forecast for Africa is of particular concern because the number of people living in poverty would increase in all three scenarios. The World Bank estimates that much will depend on progress with the other dimensions of poverty, including life expectancy, school enrolment, and child mortality. If progress is slow in these areas — and this may well be the case if the relentless march of HIV/AIDS epidemic is not arrested and reversed — then the gap between that region and the rest of the world could widen significantly.

Inequality and poverty outcomes

22. There is strong evidence that income inequality is an important factor in determining poverty outcomes.[6] High inequality in a country can raise serious barriers to the successful implementation of poverty reduction strategies because it can limit the poverty-reducing effects of growth. A study undertaken by researchers at the Overseas Development Institute shows that for a given rate of economic growth, poverty falls faster in those countries where inequality of income is lower.[7] Their projections indicate that higher growth and pro-poor policies will improve poverty reduction prospects in both high- and low-inequality countries but that high-inequality countries (average Gini coefficient of 0.55) will need to grow twice as fast as low-inequality countries (average Gini coefficient of 0.34) to halve poverty by 2015. It is estimated that per capita income in countries in the high-inequality group will need to grow by about 7.1 per cent per annum in order to reach the poverty target by 2015 (table 3).

23. The study goes on to note that on a regional basis, if all countries could attain the "pro-poor/high growth" path, most developing regions, except for sub-Saharan Africa, would more than meet the target of halving poverty by 2015. It estimates that in order for sub-Saharan Africa to meet the poverty reduction target, per capita income would need to grow by 2.4 per cent per annum under pro-poor conditions and 6 per cent otherwise.

Outlook for poverty reduction

24. The current prospect for all countries to achieve the poverty reduction and the other Millennium development goals by 2015 appears extremely bleak. Even assuming the scenario that countries will achieve faster and more broad-based growth, about 50 countries appear unlikely to halve the poverty rate by 2015. If sub-Saharan Africa is to make a serious dent in its rising number of poor, it must improve its growth performance over that recorded for the early 1990s.

25. The above scenarios highlight the importance of achieving fast growth and distributing the benefits of growth equitably. Without macroeconomic stability, sustained structural reforms, effective and transparent use of public resources, improvements in the provision of public services and infrastructure to the poor, and actions to reduce vulnerability and give the poor more voice in development choices, the pattern of sustained, inclusive growth that underlies the best scenario will not be realized and millions more people will remain enslaved in poverty. Achieving the poverty reduction targets will also require an increase in aid flows to the poorest countries. With slow growth and increases in inequality, progress will be much slower everywhere, the target will be out of reach for all regions apart from East Asia, and more than 200 million more people worldwide will remain mired in poverty. If policies are inadequate to achieve more than the slow growth of the 1990s, then the number of people living in extreme poverty will remain near current levels for the next 15 years.

26. It is important to recognize and note that these projections have some serious limitations, including weaknesses in the database arising from missing recent data for a number of countries, especially in Africa, and incomplete understanding of trends in inequality and the divergence between national accounts and household-based measures of private consumption. Therefore, the projections should be understood to provide broad guidelines as to the likelihood of countries achieving the poverty reduction goal. They should be updated on a regular basis to reflect improvements in data and economic and social conditions.

III. Responding to the challenge of the poverty goal

27. The discussion above suggests that many countries, particularly the developing countries and countries with economies in transition, will be unlikely

to achieve the poverty reduction goal by 2015 unless significant improvements in economic and social development are achieved. It is beyond the scope of this report to discuss in detail the national, regional and international responses that are needed to ensure that countries can meet the goal by 2015. The discussion will therefore highlight only certain key responses to poverty which are articulated in the outcome document of the World Summit for Social Development (A/CONF.166/9) and of the twenty-fourth special session of the General Assembly,[8] including the Programme of Action for the Least Developed Countries for the Decade 2001-2010, adopted by the Third United Nations Conference on the Least Developed Countries in 2001 (A/CONF.191/11) and the Plan of Action adopted by the United Nations Conference on Trade and Development (UNCTAD) at its tenth session in 2000 (TD/386).

28. It is important to reiterate and emphasize at the outset the multidimensional nature of poverty and that the goal of poverty reduction extends beyond the reduction of income or consumption poverty. In particular, due attention must be paid by countries and development partners to, inter alia, critical cross-cutting issues such as the status and role of women, gender equality, HIV/AIDS, infant and maternal mortality, problems of the urban poor, and sustainable development. Attention to poverty and its cross-cutting issues will ensure that the achievements will be broad-based and equitable in their outcomes and sustainable in the long term.

29. In order to make concrete progress towards achieving the poverty reduction goal by 2015, countries need to embark, therefore, on strategies to reshape their economies and, in many cases, reform their public sectors. This implies that particular attention must be paid by policy makers to accelerating both economic growth and social development and improving the distribution of income and wealth.

Accelerating economic growth

30. Rapid economic growth is the most powerful means by which countries can achieve higher living standards and reduce poverty. But faster economic growth will require Governments to implement policies that simultaneously encourage growth and macroeconomic stability, encourage improved productivity, and shift resources to more efficient sectors. It is important to recognize that successful poverty reduction depends not only on economic growth but on growth that is pro-poor. Given that most of the world's poor still live in rural areas, there is a strong case for many countries to emphasize a rural-based development strategy, because the promotion of agriculture and small-scale rural manufacturing and services can speed up poverty reduction by stimulating critical linkages between farm and non-farm activities. Those linkages can be promoted by policies that improve incentives for both farm and non-farm enterprises in rural areas, along with credit networks and similar measures to encourage livelihood creation in non-farm rural businesses.

31. Trade is an important concern for developing countries since the expansion of international trade and integration into the world economy can often contribute to the promotion of economic growth and the reduction of poverty. Trade can lower costs and create new markets for the products of developing countries. Over the past decade, trade barriers have generally been reduced, but existing constraints on market access by developed countries impose serious impediments on developing countries. The potential gains (static, medium-term welfare gains) from the liberalization of all trade are estimated by the World Bank and the International Monetary Fund (IMF) to be $250-$550 billion. Developing countries would be likely to receive roughly 30-40 per cent of that total, far in excess of current aid flows.[9] Developing countries also have great potential to expand their export of services and would benefit significantly from greater access to service markets in the high-income countries.

Improving the distribution of income and wealth

32. At the same time, Governments could also consider policies to improve the distribution of income and wealth, because the benefits of growth for the poor may be diminished if the distribution of income worsens. In those high-inequality countries where growth prospects are too low to achieve the poverty reduction targets by 2015, reducing the degree of inequality offers valuable opportunities to speed up the process of poverty reduction. Some options for governmental actions to influence asset and income distribution include policies that focus on the access to and distribution of assets, especially land, which determine income flows for the poor; improving the

productivity of the poor, especially by improving basic education, health and the skills that would enable the poor to take up rural non-farm or urban-oriented livelihood opportunities; and establishing the distributive consequences for the poor of changes in taxes and charges, privatization, trade liberalization, and the removal of governmental subsidies and price controls. Policies that promote better income distribution are not well understood, and further study of the potential impact of policies on distribution should be a priority.

Accelerating social development

33. Social indicators will benefit from improvements in economic growth and income and wealth distribution, but there is still room for policies that target interventions that have a large impact on health and education. At the top of the list are education for girls and women, safe water and sanitation, child immunization, and safety nets to protect the most vulnerable. The social structures and institutions that affect development also require attention.

34. Gender inequality is a constraint on growth and poverty reduction. An increase in the number of girls in school and on female literacy is likely to reduce poverty and means that over the longer term, fertility rates will fall. Child survival will also improve. These factors themselves contribute to higher productivity and per capita growth. The low levels of technology available to women, their time constraints and discrimination in their access to credit and other markets limit their supply response to any new incentives for small-scale producers.

35. The urgency of the AIDS epidemic was highlighted at the twenty-sixth special session of the General Assembly in June 2001. The epidemic is a serious threat to economic and social development because it deepens and spreads poverty. Poor households are more adversely affected by the AIDS death of a prime-age adult than other households, because they have fewer assets for coping with medical expenses and with the loss of the income and services that a prime-age adult typically provides. AIDS is also likely to increase poverty through the rise in the number of children who lose one or both parents, and it will be more difficult for orphans to escape poverty in the absence of schooling and adequate nutrition. AIDS is also making it difficult for countries to achieve the agreed infant and child mortality targets, because many children are born infected.[10]

36. Urban poverty is also a significant problem, since one out of four of the world's urban population is living below the poverty line, during a time when the world is facing unprecedented growth of urban population, mainly in the developing world. In many cities, confronted with rapid growth, environmental problems and the slow pace of economic development, it has not been possible to generate sufficient employment, provide adequate housing and meet the basic needs of the citizens. It is essential that adequate efforts are undertaken to make a significant improvement in the lives of at least 100 million slum dwellers by 2020.

IV. Financial resources for poverty eradication

37. The section below should be read in conjunction with the report of the Secretary-General to the Preparatory Committee for the High-level International Intergovernmental Event on Financing for Development (A/AC.257/12). The International Conference on Financing for Development, to be held in Monterrey, Nuevo León, Mexico, from 18 to 22 March 2002, will be a key event in agreeing on a strategy for better resource mobilization, and its recommendations will have important implications for the effective financing of efforts to meet the poverty goal.

Mobilizing resources for development

38. It is agreed that the primary source of financing for development is domestic sources and that the primary responsibility for achieving growth and equitable development lies with countries themselves. This responsibility includes creating the conditions that make it possible for an economy to secure the financial resources needed for investment.

Private capital flows

39. Although the bulk of the savings available for a country's investment will always come from domestic sources, foreign capital can provide a valuable supplement. Developing countries can undertake various measures to increase their share of foreign direct investment (FDI), including upgrading

accounting and auditing standards and improving corporate governance, infrastructure and the efficiency of delivery of services. Industrial countries need to remove artificial constraints on investment in emerging markets and refrain from imposing severe restrictions on access to credit. While private capital cannot alleviate poverty by itself, it can play a significant role in promoting growth, but its provision needs to be organized in a way that reduces vulnerability to crises.

40. Private capital flows have increased sharply over the past decade and now exceed the total amount of official development assistance (ODA) to developing countries. But only a few developing countries attract substantial flows. For the rest, the challenge is to use the resources available to them to improve their investment climate and attract new inflows. The harsh reality is that private capital flows tend to go to countries with strong investment climates. During the period 1993-1998, 20 countries accounted for over 70 per cent of all FDI flows to developing and transition-economy countries. Most of the developing countries have not received much private finance from abroad; the least developed countries as a group received only 0.5 per cent of world FDI inflows in 1999.

Official development assistance

41. For the least developed and other low-income countries, official sources account for the greater part of their external financing, and for many countries ODA remains the major — and virtually the only — source of external financing of investment. While private flows may increasingly expand their reach, ODA still has a critical role to play in helping a large number of countries with high concentrations of people living in poverty.

42. Throughout much of the 1990s there was a fall in the share of ODA in the gross national product (GNP) of the member countries of the OECD Development Assistance Committee (DAC). Following the financial crisis of 1997, the share of ODA in the GNP of OECD/DAC countries rose slightly, to a level of 0.24 per cent in 1999. And while a majority of DAC members increased their aid in 2000, overall ODA declined by 6.0 per cent in nominal terms, or 1.6 per cent in real terms, and slipped back to 0.22 per cent of GNP, the same level as in 1997. Much of the aid from rich countries does not go to the poorest countries in the world and, in order to address this, many OECD/DAC members have undertaken to provide 0.15 per cent of their GNP to the least developed countries. However, throughout the 1990s aid to those countries fell well short of that goal.

43. Currently, only a handful of donor countries have realized the commitment to allocate 0.7 per cent of their GNP for overall ODA. It is crucial that other developed countries that have not yet done so should strengthen their efforts to achieve the agreed target of 0.7 per cent as soon as possible and, where agreed, within that target, to earmark 0.15-0.20 per cent of the GNP for the least developed countries.

44. At the same time, it is important to improve the effectiveness of ODA for poverty reduction. Aid effectiveness relates to the policy and institutional preconditions in recipient countries as well as the level and nature of transaction costs in the aid delivery system. It depends on the same factors that determine domestic resource mobilization. Therefore, sound domestic policy formulation is key to efficient resource utilization and provides the basis upon which donor assistance must be delivered. It is crucial to ensure that poverty reduction is the overriding objective of ODA.

45. Donors and international agencies must support countries that show a determination to take up the challenges of the goals for the twenty-first century. International agencies must work with developing countries to strengthen country capacity to monitor progress on outcomes. This will involve ensuring that the statistical infrastructure in key countries is adequate to mount periodic surveys and analyse the data and that there is capacity to conduct participatory studies and hear the voices of the poor.

Debt relief

46. The debt burdens of many developing and transition countries have become oppressive constraints on their ability to reduce poverty and reach other development goals. While debt relief is just one of various financial assistance instruments, it is important to recognize that in some cases debt burdens represent insurmountable obstacles to development and need to be addressed urgently. In this regard, fully implementing the heavily indebted poor countries (HIPC) initiative is an urgent and important objective. Donors need to provide the necessary resources while also ensuring that doing so is not at the expense of other ODA flows. Countries that attain debt sustainability under the HIPC initiative will still need

further assistance to achieve desired economic and social development, including poverty reduction.

47. As of June 2001, 23 countries had reached their decision point, and two countries had reached completion point under the enhanced HIPC initiative framework and are now receiving debt service relief, which will amount to about $34 billion over time, or a reduction of $20 billion in the net present value of their outstanding stock of debt. This is approximately 70 per cent of the total relief projected to be delivered under the HIPC initiative.

48. Bilateral and multilateral creditors should pursue debt relief vigorously and expeditiously, taking steps to provide significant and immediate debt relief to the poorest countries. Low-income countries with fragile economies, no matter how skilled their economic management, may find themselves unable to service debt obligations under certain circumstances (e.g., during natural calamities or economic catastrophes, such as major drops in the price of export commodities or other terms-of-trade shocks). In those circumstances, special measures to alleviate the burden of debt servicing obligations, and even debt cancellation, may be needed.

V. Global campaign for poverty eradication

49. The proposal to launch a global campaign to eradicate poverty was first raised at the twenty-fourth special session of the General Assembly which invited the Economic and Social Council to consolidate the ongoing initiatives and actions established in the Copenhagen Declaration and Programme of Action, the first United Nations Decade for the Eradication of Poverty (1997-2006) and the recommendations contained in the [report of the twenty-fourth special session] with a view to launching a global campaign to eradicate poverty.[11] It should be noted that the High-level Panel for Financing for Development has recommended the launching of a campaign for international development goals which would act as an effective catalyst for political support for development aid. Moreover, the Secretary-General has proposed a practical, action-oriented "campaign" in order to meet the millennium goals.[12]

50. The recommendation made at the twenty-fourth special session concerning the launching of a global campaign to eradicate poverty is extremely wide-ranging in scope and implies two broad components: first, the "consolidation" of relevant initiatives and activities by the international community; and, secondly, the launch of a major advocacy effort. The United Nations system can take the lead in supporting the first component by enhancing the coordination and coherence of its own activities. In terms of the second component, the United Nations system can play a supportive, yet catalytic role, at the global, regional and national levels.

51. The global campaign will provide valuable focus and coordination to efforts at all levels to achieve the Millennium Declaration goal as well as the goal to eventually eradicate poverty within the framework of the first United Nations Decade for the Eradication of Poverty. However, in order to realize this vision for the campaign there needs to be clear direction for the efforts of Member States, the international community and the United Nations system. The capacity of the Organization to coordinate such initiatives and to play effectively its role of facilitator and advocate will require Governments to offer support and the donor community to strengthen the resources it provides.

52. The Economic and Social Council considered the note by the Secretariat on the global campaign for poverty eradication (E/2001/84) at its substantive session of 2001. It decided to keep the matter under review in the context of its work on coordinated follow-up to major United Nations conferences and summits and invited the Secretary-General to report to the Council in 2002 on the matter.

VI. Views on the proposal to establish a world solidarity fund

53. In its resolution 55/210, the General Assembly welcomed favourably the proposal submitted regarding the establishment of a world solidarity fund for poverty eradication and requested the Secretary-General to undertake the necessary consultations with Member States and all relevant stakeholders, bearing in mind the voluntary nature of the contributions, and to report to it at its fifty-sixth session.

54. In accordance with that request, the Secretary-General sought the views of Member States through a note verbale dated 16 February 2001. A number of organizations of the United Nations system were also

consulted. Major non-governmental organizations involved in the work of the Commission for Social Development were also invited to provide their views. As of 16 July 2001, the Secretary-General had received replies from 38 Member States and two regional groups, one Permanent Observer State, one Permanent Observer Mission, three regional commissions, 11 organizations of the United Nations system, two intergovernmental organizations and one non-governmental organization.[13]

55. Many replies received from Member States supported the proposal to establish a world solidarity fund for the eradication of poverty. It was stressed that the creation of such a fund would be aimed at implementing the commitments made by the international community to eradicate poverty, in particular, the commitment to halve by 2015 the proportion of world's people whose income is less than $1 a day and the proportion of people who suffer from hunger. It was pointed out that, as a new instrument, the fund could complement the role of other existing international mechanisms in the area of poverty eradication and intervene in the poorest countries, particularly in those areas that do not benefit from development programmes. It was noted that the Fund could also be devoted to the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010. The main task of the fund should be to provide a mechanism for the international community to contribute to poverty eradication and promote human resources in the poorest regions of the world, particularly in the least developed countries.

56. The fund would establish, under the auspices of the United Nations, a flexible and low-cost mechanism capable of performing its functions in an efficient and transparent manner. Financing should be provided through donations and voluntary contributions from Member States, international organizations, relevant institutions and foundations, and individuals. An appeal for voluntary contributions could be undertaken. If established, the fund would strengthen existing resources devoted to official development aid. In creating the fund, due attention should be given to all aspects of General Assembly resolution 55/210.

57. It was also mentioned in the responses that the proposal to establish a world solidarity fund has received support at various regional and international meetings, including the South Summit of the Heads of State and Government of the Group of 77, the thirty-sixth ordinary session of the Assembly of Heads of State and Government as well as the seventy-first and seventy-third ordinary sessions of the Council of Ministers of the Organization of African Unity, the one hundred thirteenth session of the Council of the League of Arab States and the twenty-seventh session of the Council of Ministers of the Islamic Conference Organization.

58. Some Member States were of the view that, bearing in mind the critical funding situation of United Nations funds and programmes, important questions needed to be considered before a decision on establishing a world solidarity fund could be taken. Replies received from Member States indicated that such a fund, based on voluntary contributions, should not duplicate already existing initiatives and efforts or divert scarce resources from United Nations funds and programmes, in particular, from UNDP. The potential of attracting additional and innovative funding, primarily from non-governmental organizations, should be thoroughly evaluated. Furthermore, the possible relationship between the proposed fund and existing structures of the United Nations funds and programmes would have to be explored so as to avoid duplication. Replies underlined the role of the United Nations funds and programmes, in particular UNDP, in assisting national efforts of developing countries in the eradication of poverty and the need to secure their funding on a predictable and continuous basis, taking into account that core resources were the bedrock of the operational activities for development of the United Nations system. One country noted that the goals assigned to such a fund could be achieved through the existing bilateral and multilateral cooperation instruments, including United Nations funds and programmes. It was inclined to support and finance existing mechanisms aimed at poverty eradication which have proved productive, instead of investing in a new initiative, which may result in additional costs while reducing resources for current funds and programmes. Another country expressed concern over the proliferation of funds with similar functions. One other country stressed that it would strongly encourage strengthening the role of the private sector and individual citizens relative to Governments in funding the endeavour.

59. In their responses, organizations of the United Nations system supported, in principle, the proposal to

establish a fund for poverty eradication and stressed the need for avoiding the duplication of activities of United Nations funds and programmes. The Economic Commission for Europe (ECE) emphasized that serious consideration should be given to developing criteria and targets for the fund and avoiding overlapping of the efforts among United Nations funds and programmes. The Economic and Social Commission for Asia and the Pacific (ESCAP) noted that should the proposal materialize, it could be a possible source of funding for poverty eradication activities planned in the ESCAP region in the biennium and beyond. The Economic and Social Commission for Western Asia (ESCWA) stressed that at a time when the poor were threatened to become further marginalized, the initiative would enhance the role of the United Nations as an agent working to improve the status of vulnerable populations. The Food and Agricultural Organization of the United Nations (FAO) pointed out that the feasibility for creating such a fund needed to be carefully appraised and its merits compared with other proposals being developed for raising resources to finance the implementation of the Millennium Declaration. The proposal might be submitted for review to the Preparatory Committee for the International Conference on Financing for Development which is responsible for identifying innovative financing mechanisms and could contribute to the achievement of the development goals set by the major conferences of the 1990s and reflected in the Millennium Declaration. The International Labour Organization (ILO) stressed the concern that such a fund might add to rather than redistribute available funds. It wondered whether the operation of such a fund would require a structure that would duplicate existing funding mechanisms, both in searching for donor support and in disbursements to projects and programmes.

60. The United Nations Development Programme (UNDP) holds the view that a world solidarity fund could reinforce a partial response to the resources deficit. The fund would have to be additional to existing levels of resources for development and would need to complement, and not supersede, existing funds and other special arrangements. That raises the question of how to define the focus of the fund and to draw the boundary between it and other initiatives. A world solidarity fund for poverty reduction might well be too broad to attract substantial levels of resources. In view of the growing recognition of the mutually reinforcing link between poverty and environmental degradation and the need to achieve sustainable development while alleviating poverty, the United Nations Environment Programme (UNEP) supports a well-financed world solidarity fund. The United Nations Population Fund (UNFPA) stressed that such a fund was consistent with the Declaration of the Third United Nations Conference on the Least Developed Countries and commitment 7 of the Programme of Action for the Least Developed Countries for the Decade 2001-2010, where the immediate need to mobilize financial resources for achieving international development goals was emphasized. UNFPA also noted that the voluntary contributions and pledges to such a fund should be additional to the contributions given to United Nations funds and programmes and that the fund should be used as an instrument to help reverse the declining trends in ODA. The United Nations Educational, Scientific and Cultural Organization (UNESCO) stated that creating such a fund would be a valuable contribution to the efforts of poverty eradication and the promotion of development in the most destitute parts of the world.

61. The United Nations Children's Fund (UNICEF) stressed the need to ensure that the proposed fund would provide additional resources and that the financing mobilized by the fund was not diverted from other development activities. It was important to have mechanisms for disbursement and cost-effective follow-up. A proliferation of special purpose funds could work against the principle of multilateralism in the current period of declining levels of ODA, since the provision of significant voluntary contributions to specific purpose funds could reduce resources available for United Nations funds and programmes and, in turn, would mean less support for countries on the basis of need. The United Nations Centre for Human Settlements (Habitat) proposed including urban poverty issues and human settlements strategies to reduce poverty in the terms of reference for a world solidarity fund. The United Nations Industrial Development Organization (UNIDO) stressed the need for analysing the results of existing poverty alleviation funds and, on that basis, creating a working mechanism for a solidarity fund. A well-defined fund mobilization strategy needed to be elaborated. In addition, the fund should focus its activities on limited priorities and a group of countries. The World Food Programme (WFP) emphasized that establishing such a fund would add

another funding level, which must be managed, and therefore, could be counterproductive.

62. International Cooperation for Development and Solidarity, a non-governmental organization, supported the proposal to establish a world solidarity fund and noted that there was an urgent need for a global official development assistance campaign (to reach 0.7 per cent of GNP in all donor countries and above) and innovative resources for poverty eradication. The revenues from currency transaction taxes represented a new source of public finance, which could be partially used to finance such a fund.

VII. Recommendations

63. In view of the urgency of the tasks to halve the proportion of people living on less than $1 a day by 2015, in particular, and to eradicate poverty, in general, and of the need for concerted effort by all Governments and stakeholders to meet those goals, the following recommendations are submitted for consideration by the General Assembly:

Recommendation 1

Despite progress by many countries to put in place poverty reduction strategies, the implementation of those strategies has not proceeded at the same pace in all countries. Thus, the General Assembly may wish to urge Governments that have not already done so to incorporate goals and targets for combating poverty into their national strategies for socio-economic development and for Governments to work towards the effective implementation of their poverty reduction strategies.

Recommendation 2

Since, on the basis of current conditions, not all countries are likely to achieve the poverty reduction goal by 2015, the General Assembly may wish to urge Governments to implement policies that will accelerate pro-poor economic growth and social development, taking into account the multidimensional nature of poverty. In this regard, the General Assembly may wish to urge the international community to support developing countries fully in their efforts to implement poverty reduction strategies. With respect to trade, developed countries should be urged to improve market access for the agricultural and manufactured exports from developing countries, eliminate export subsidies, reduce support for domestic agriculture producers and eliminate remaining trade barriers in manufacturing.

Recommendation 3

In light of the additional financial resources urgently required to enable countries to achieve the poverty reduction goal as well as the other Millennium development goals, the General Assembly may wish to urge Governments to continue to implement policies to enhance domestic financial resources further and to promote foreign direct investment and other private capital flows, and to put them to efficient use. The General Assembly may also wish to urge Governments to take steps to put into place a transparent, stable and predictable framework for private investment and an institutional infrastructure that allows its efficient implementation.

Recommendation 4

Although it is recognized that the bulk of the savings available for a country's investment will always come from domestic sources, ODA and other official assistance which complement domestic efforts and foreign private capital flows can be critically important in helping developing countries and countries with economies in transition to achieve the poverty reduction goal. The General Assembly may wish to urge the developed countries that have not done so to commit themselves to achieving the target of 0.7 per cent of their GNP for overall official development assistance by a specified date and the target of earmarking 0.15-0.20 per cent of GNP as official development assistance for the least developed countries as agreed, as soon as possible. In this regard, developing countries, donors and development partners should also strive to improve the effectiveness of ODA.

Recommendation 5

Although the enhanced HIPC initiative has made steady progress, the external debt overhang in poor countries still constitutes a serious obstacle to their development efforts and economic growth, particularly with respect to their ability to attain the poverty reduction goal by 2015. The General Assembly, therefore, may wish to urge multilateral and bilateral creditors to take appropriate action to provide faster, deeper and broader debt relief for HIPCs, inter alia, by providing new and additional resources necessary to

fulfil the future financial requirements of the enhanced HIPC initiative.

Recommendation 6

A global campaign for poverty eradication can provide critical advocacy and coordination functions which can provide much needed focus and direction to efforts to achieve the poverty reduction goal. The General Assembly may wish to call upon Member States and the international community fully to support and participate in the global campaign in order to ensure that the poverty reduction goal is realized for all countries. The General Assembly may also wish to provide further guidance to the system's contribution to the global campaign at the global, regional and country levels, within the framework of the Millennium Declaration and the first United Nations Decade for the Eradication of Poverty (1997-2006). Further, the General Assembly may wish to invite the donor community to support the campaign and to strengthen the resources available to the United Nations in order to enhance its capacity to support and coordinate those initiatives and to play effectively its role of facilitator and advocate.

Recommendation 7

In view of the broad positive response of many Governments and relevant stakeholders, the General Assembly may wish to consider establishing a world solidarity fund for poverty eradication, bearing in mind the voluntary nature of the contributions from Member States, international organizations, the private sector, relevant institutions, foundations and individuals, and taking into account the concerns of some Member States and stakeholders.

Notes

[1] Additional data were also derived from the World Bank poverty monitoring database.

[2] Per Ronnås and Nina Orlova, *Moldova's Transition to Destitution* (Stockholm, Swedish International Development Cooperation Agency, 2000). SIDA Studies No. 1, pp. 73-74.

[3] United Nations Development Programme, *Human Development Report 2001* (New York, Oxford University Press, 2001), p. 22.

[4] Ibid., p. 13.

[5] World Bank, *Global Economic Prospects and the Developing Countries 2001* (Washington, D.C., 2000), pp. 39-43.

[6] See, for example, Hulya Dagdeviren, Rolph van der Hoeven, and John Weeks, "Redistribution matters: growth for poverty reduction", Employment paper 2001/10 (Geneva, International Labour Office).

[7] Lucia Hammer, John Healed, and Felix Naschold, "Will growth halve global poverty by 2015?", Overseas Development Institute, poverty briefing.

[8] *Official Records of the General Assembly, Twenty-fourth Special Session, Supplement No. 3* (A/S-24/8/Rev.1), chap. III.

[9] "Market access for developing countries' exports", joint IMF/World Bank paper of 27 April 2001 (http://www.worldbank.org/economics/marketaccess.pdf), para. 72.

[10] World Bank, *Confronting AIDS* (New York, Oxford University Press, 1999).

[11] *Official Records of the General Assembly, Twenty-fourth Special Session, Supplement No. 3* (A/S-24/8/Rev.1), chap. III, annex, sect. III, commitment 10, para. 155.

[12] See A/AC.257/12, paras. 90-91, and E/2001/45, para. 11 (c).

[13] Member States: Angola, Benin, Brazil, Burkina Faso, Canada, China, Democratic Republic of Congo, Cuba, Cyprus, Democratic People's Republic of Korea, Egypt, Ethiopia, Guyana, Iceland, Iran (on behalf of the Group of 77 and China), Iraq, Japan, Jordan, Lao People's Democratic Republic, Lebanon, Libyan Arab Jamahiriya, Malaysia, Mali, Malta, Mauritania, Mauritius, Morocco, Nicaragua, Norway, Qatar, Romania, Senegal, Sweden (on behalf of the European Union and the associated countries of Cyprus and Malta as well as the EFTA countries members of the EEA, Iceland and Norway), Syrian Arab Republic, Tunisia, Turkey, the United States of America, Yemen

Permanent Observer State: Holy See

Permanent Observer Mission: Organization of the Islamic Conference

Regional commissions: ECE, ESCAP, ESCWA

Organizations of the United Nations system: FAO, Habitat, ILO, UNDP, UNEP, UNESCO, UNICEF, UNFPA, UNIDO, UNU, WFP

Intergovernmental organizations: League of Arab States; Organization of African Unity

Non-governmental organization: International Cooperation for Development and Solidarity.

Annex I

Tables

Table 1
Population living on less than $1 per day and head-count index in developing and transitional economies, selected years, 1987-1998

Region	*Number of people living on less than $1 per day (millions)*[a]		
	1987	*1990*	*1998*
East Asia and the Pacific	417.5	452.4	267.1
(excluding China)	(114.1)	(92.0)	(53.7)
Eastern Europe and Central Asia	1.1	7.1	17.6
Latin America and the Caribbean	63.7	73.8	60.7
Middle East and North Africa	9.3	5.7	6.0
South Asia	474.4	495.1	521.8
Sub-Saharan Africa	217.2	242.3	301.6
Total	**1 183.2**	**1 276.4**	**1 174.9**
Total, excluding China	**879.8**	**915.9**	**961.4**
	Head-count index (percentage)[b]		
	1987	*1990*	*1998*[a]
East Asia and the Pacific	26.6	27.6	14.7
(excluding China)	(23.9)	(18.5)	(9.4)
Eastern Europe and Central Asia	0.2	1.6	3.7
Latin America and the Caribbean	15.3	16.8	12.1
Middle East and North Africa	4.3	2.4	2.1
South Asia	44.9	44.0	40.0
Sub-Saharan Africa	46.6	47.7	48.1
Total	**28.3**	**29.0**	**23.4**
Total, excluding China	**28.5**	**28.1**	**25.6**

Source: World Bank, *Global Economic Prospects and the Developing Countries 2001* (Washington, D.C., 2000), table 1.8.

[a] The $1 per day is in 1993 purchasing power parity terms. The numbers are estimated from those countries in each region for which at least one survey was available during the period 1985-1998.

[b] The head-count index is the percentage of the population below the poverty line.

Table 2
Millennium Development goals for development and poverty eradication: a summary of progress

Goal (for 2015)	Achieved[a]	On track[b]	Lagging[c]	Far behind[d]	Slipping[e]	Number of countries far behind or slipping: Total	Least developed countries	Sub-Saharan Africa
Extreme income poverty								
Halve the proportion of people living in extreme poverty								
Business-as-usual growth pattern	-	11	4	39	31	70	14	17
Pro-poor growth pattern	-	29	6	19	31	50	9	13
Hunger								
Halve the proportion of people suffering from hunger	6	37	3	23	17	40	16	21
Gender equality								
Eliminate disparity in primary education	15	57	2	13	1	14	9	9
Eliminate disparity in secondary education	39	25	3	16	2	18	10	12
Infant and child mortality								
Reduce infant mortality rates by two thirds[f]	63	-	14	73	9	82	27	35
Reduce under-five mortality rates by two thirds	66	-	17	66	10	76	26	34
Maternal mortality								
Reduce maternal mortality ratios by three quarters	13	49	46	37	-	37	27	31
Basic amenities								
Halve the proportion of people without access to safe water	18	32	42	41	-	41	27	26
Universal education								
Enrol all children in primary school	5	27	4	13	9	22	9	10
Achieve universal completion of primary schooling	8	32	28	15	-	15	11	11

Source: UNDP, *Human Development Report, 2001* (New York, Oxford University Press).

Note: This analysis excludes high-income OECD countries. See UNDP, *Human Development Report, 2001*, technical note 3, for an explanation of the assessments of progress and for information on the data sources used.

[a] Achieved: The country has already achieved the target.

[b] On track: The country has attained the rate of progress needed to achieve the target by 2015 or has attained 90 per cent of that rate of progress.

[c] Lagging: The country has attained 70-89 per cent of the rate of progress required to achieve the target by 2015.

[d] Far behind: The country has achieved less than 70 per cent of the required rate of progress.

[e] Slipping: The country's level of achievement is at least 5 percentage points worse in 1999 than in 1990.

[f] International development goal.

Table 3
Projected poverty in 2015 for high- and low-inequality countries

	Poverty incidence, 2015, as percentage of 1990 level		*Annual per capita growth needed to halve poverty by 2015*	
	No change, past growth	*No change, pro-poor*	*With pro-poor conditions*	*With higher growth*
High-inequality countries	68	49	7.1	3.7
Low-inequality countries	47	33	3.7	1.5

Source: Lucia Hammer, John Healed and Felix Naschold, "Will growth halve global poverty by 2015?". Overseas Development Institute, poverty briefing.

Annex II

Coordination at the intergovernmental level and activities of the United Nations system in support of national efforts

I. Coordination at the intergovernmental level

A. Commission for Social Development

1. The Commission for Social Development at its thirty-ninth session (13-23 February 2001) considered the priority theme "Enhancing social protection and reducing vulnerabilities in a globalizing world". It had before it the report of the Secretary-General on the subject (E/CN.5/2001/2) which reviewed the challenges to social protection in the face of globalization and provided specific recommendations at the national and international levels to promote human development and effective social protection policies within the context of the commitments of the Copenhagen Declaration and the Programme of Action and the Further Initiatives for Social Development, adopted at the twenty-fourth special session of the General Assembly, including the goal to reduce the proportion of people living in extreme poverty by one half by the year 2015.

2. The Commission also agreed on the multi-year programme of work for 2002-2006, which envisages review of the further implementation of the outcome of the Social Summit and the special session in 2005 and of the implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) in 2006.

3. Special attention has been given to further strengthening the collaboration with organizations of the United Nations system in the follow-up to the Social Summit and the special session, including the goals of poverty eradication. The Under-Secretary-General for Economic and Social Affairs requested the heads of all relevant agencies, funds and programmes of the United Nations system to provide reports on progress achieved and obstacles encountered in the implementation of the Copenhagen Declaration and the Programme of Action and the Further Initiatives for Social Development, adopted at the special session. A compilation of reports submitted by the United Nations system was circulated at the Commission's session as a background document. Among 18 responses received from different parts of the United Nations system, UNDP, ILO, FAO, the World Bank and IMF reported on specific follow-up measures to reduce poverty. The wide range of activities undertaken by the United Nations system showed its strong commitment to the poverty eradication goals.

B. Economic and Social Council

4. At its high-level segment in 2001, the Council discussed the role of the United Nations system in supporting the efforts of African countries to achieve sustainable development. Issues related to poverty eradication in Africa were also addressed. The programme of major activities included a high-level policy dialogue with heads of international financial and trade institutions, ministerial round tables and panels of eminent personalities. The Council concluded its high-level segment with the adoption of a Ministerial Declaration which expressed grave concern that if current economic trends continued, the majority of African countries would be unable to achieve international development goals.

5. The Council considered a note by the Secretariat on the "Global campaign for poverty eradication" (E/2001/84). The note focused on approaches and measures being developed within the United Nations system to prepare the ground for actions that the Council might wish to take pursuant to the recommendations of the General Assembly at its twenty-fourth special session.

6. The Council also held the fourth special high-level meeting with the Bretton Woods institutions on two themes: development financing, in particular poverty eradication, ODA and debt; and a move forward to a development-friendly international financial system: public and private responsibility in the prevention of financial crisis. A note by the Secretary-General, "Selected aspects of international cooperation in strengthening financing for development" (E/2001/45) raised a number of important questions and proposed the establishment of an international "campaign for the Millennium development goals". The campaign would track

countries' progress towards the goals, assess the cost implications and identify resource requirements. The meeting has contributed to the promotion of a coherent approach and common efforts to achieve international development goals, particularly poverty eradication.

C. General Assembly

7. In the United Nations Millennium Declaration, adopted by the Millennium Summit held in September 2001, heads of State and Government pledged to halve, by the year 2015, the proportion of the world's people whose income is less than $1 a day. To that end, Governments resolved to create an environment at the national and global levels which is conducive to development and to the elimination of poverty. They were committed to an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system. They also expressed concern over the obstacles developing countries face in mobilizing resources needed to finance their sustained development and were determined to ensure the success of the High-level International and Intergovernmental Conference on Financing for Development and to deal comprehensively and effectively with the debt problems of low- and middle-income countries. The Millennium Declaration also set out time-bound development targets with regard to safe drinking water, equal access for boys and girls at all levels of education, reduction of maternal and under-five mortality, HIV/AIDS and improvement of slums.

II. Activities of the United Nations system in support of national efforts

A. Administrative Committee on Coordination

8. At its first regular session of 2001, the Administrative Committee on Coordination (ACC) addressed the role of the United Nations system in the follow-up processes to the Millennium Summit, particularly the goal to halve poverty by 2015 (ACC/2001/4). The following specific recommendations were outlined: (a) the poverty paradigm should be broadened to include social, educational, nutritional, health and cultural dimensions as well as qualitative aspects of empowerment; (b) organizations of the United Nations system should be invited to prepare an analysis of the contribution of their programmes to the Millennium Declaration's goal of reducing extreme poverty and share them, as required, with their governing bodies; (c) a global campaign on poverty eradication should be mounted to mobilize world opinion and engage political leaders in achieving Millennium Declaration poverty targets; (d) the World Bank and other funding entities may be invited to collaborate on an annual review of flows of concessional funding for programme elements linked to the global campaign and undertake a comprehensive review of the global funding requirements for reducing poverty by half by 2015; and (e) the capacity of the system to achieve and monitor poverty eradication should be strengthened through improved data as a common basis for analysis and through closer interactions among officials throughout the system involved in work relevant to poverty eradication.

9. As to reporting on progress in achieving the goals and targets of the Millennium Declaration, it was noted that the follow-up processes should extend not only to national and international action but also to different dimensions of the Declaration and should contribute to an integrated approach to the follow-up, encompassing political security as well as economic and social dimensions and highlighting relationships among them.

B. United Nations Secretariat

10. The Department of Economic and Social Affairs of the United Nations Secretariat, in particular the Division for Social Policy and Development, continues to serve as the focal point for the first United Nations Decade for the Eradication of Poverty. The Division submitted to the Economic and Social Council at its substantive session the *Report on the World Social Situation, 2001*. The major theme of the report is the issue of equity, prompted by the increasing disparities between poor and rich nations. Low-income countries are doing particularly badly on the economic front and in many other countries substantial groups of the population have experienced serious setbacks in living standards. There is a sense of widespread deterioration in the coverage and delivery of basic services in many countries. Equitable access to such services and the need to raise their quality have assumed greater significance in many parts of the world. In the report, attention is given to the policy implications of promoting equity in the sense of creating a more just and harmonious society for all and to the difficulties and practical obstacles to be faced and overcome. Several chapters look at recent trends and the access to basic services in the context of quality of life, focusing

on how these differ across countries and in different social groups or income strata within countries.

11. The Department's Thematic Group on Poverty, together with the Office of the Special Coordinator for Africa and the Least Developed Countries, organized a workshop on globalization and poverty in Africa in May 2001, to address what the United Nations system and the Department, in particular, should do to implement the "globalization for all" strategy in Africa proposed in the Millennium Declaration. It was agreed that current strategies of the United Nations system should focus on providing assistance for poor African countries to get access to the fruits of globalization through improved terms of trade, increased ODA, capital flows and investments and access to information and communication technology and global public goods. Emphasis should be given to improving the confidence of investors and thus attracting financial flows to the continent. There is need to consolidate the initiatives on Africa and support the recent plans for the economic development of the African continent put forward by certain African countries.

12. A Youth Employment Network has been created to address the urgent youth unemployment situation, particularly in developing countries. The Network, an initiative of the Secretary-General, was officially launched on 16 July 2001. The Department of Economic and Social Affairs is a member of a joint secretariat, involving the United Nations, the International Labour Office and the World Bank, which will coordinate the activities of the Network and provide technical and administrative support, drawing on the resources of the United Nations system as a whole. Each lead agency, in collaboration with the partners, will develop a work plan and time frame for the implementation, monitoring and evaluation of specific results and will involve partners on the basis of their contribution to youth employment within the area of action covered by a specific thematic group. The objectives of the Youth Employment Network are to disseminate information on good practices from current youth employment initiatives and to formulate a set of recommendations on youth employment which the Secretary-General will present to the General Assembly at its fifty-sixth session.

C. Regional commissions

13. The Economic Commission for Europe (ECE) secretariat reported that, although the Commission has not been given a specific mandate to address poverty issues, based on its mandate on enterprise development, it has launched a programme on entrepreneurship as an instrument of poverty alleviation, for its poor and conflict-affected countries.

14. With regard to operative paragraph 25 of the resolution 55/210, keeping in view the 2015 targets on poverty eradication, the Economic and Social Council for Asia and the Pacific (ESCAP) is planning to set up a regional poverty centre for the Asia/Pacific region, in cooperation with UNDP, to analyse and monitor the poverty situation on a continuing basis. One of the main tasks of the centre will be to publish an annual state of poverty report. ESCAP will also focus attention on the transfer of proven best practices in poverty alleviation in the region, particularly to the least developed, landlocked and island developing countries.

15. The work of the United Nations Economic and Social Commission for Western Asia (ESCWA) on poverty alleviation in the region commenced in 1995 and has progressed in three phases: measurement, characteristics and determinants of poverty; policies to eradicate poverty; and tools to eradicate poverty.

16. During the first phase, ESCWA undertook a number of technical studies on the concept, measurement and determinants of poverty, which is a multidimensional phenomenon resulting from complex inter-linked determinants, including social, economic and political conditions and a disabling environment. At the country level, ESCWA undertook poverty profiles for several countries and areas in the region, including Iraq, the West Bank and Gaza Strip, and Lebanon. This was followed by an evaluation of policy measures adopted by ESCWA member States to combat poverty.

17. In November 1997, in order to lay the ground work for ESCWA's future work in formulating policies and strategies to eradicate poverty in the region, a meeting on improving standards of living in the Arab Mashreq countries was held in Cairo. Based on the recommendations of that meeting, ESCWA's work in the current biennium (2000-2001) is concentrated on policies to alleviate poverty, with emphasis on issues of poverty and youth, the role of income-generating activities among the poor, and improving the standards of living of local communities through microcredit lending and community development, based on an

integrated regional training programme. A manual for community development workers was prepared to facilitate the implementation of programmes and projects by non-governmental organizations, government institutions and United Nations agencies.

18. In October 1999, ESCWA, in coordination with UNICEF, organized a microfinance training workshop on strategic planning and best lending practices to reach the poor in the Palestinian refugee camps in Lebanon, with the aim of raising their living standards through job creation. During 2000, a series of workshops for the training of trainers in community development took place in Jordan, the Syrian Arab Republic and Lebanon. The aim of the project was to encourage the participation of the rural community, including all social groups. The workshops were organized in coordination with UNDP and UNICEF. Additional regional workshops will be held later in the biennium.

19. ESCWA also published a number of research papers dealing with poverty and launched a project entitled "Promoting self-reliance, with particular emphasis on employment: community based rehabilitation in Bourj El Burajneh". The aim of the project is to empower people with disabilities in their community through training for sustainable livelihoods. The project is implemented in cooperation with the Ministry of Social Affairs Centre for Social Services and Development, and a local non-governmental organization. It is mainly funded by the United Nations Voluntary Fund on Disability and the Government of Sweden.

D. Organizations of the United Nations system

20. The Food and Agriculture Organization of the United Nations (FAO), through its Committee on World Food Security, is monitoring progress towards the goal set at the World Food Summit to halve the number of undernourished people in the world by 2015. The available information suggests that progress is unduly slow, with the number of undernourished people diminishing by only 8 million per year, compared to the 20 million annual reduction required to meet the target. FAO believes that it is vital to meet the goal of hunger reduction if the broader international development goal for halving the number of people in poverty by 2015 is to be attained, given the link between food insecurity and deep poverty. The World Food Security meeting to be held in November 2001 is intended to provide the occasion for Heads of State or Government and other representatives of Governments to re-commit their countries to the achievement of the Summit goal.

21. FAO attaches great importance to measures that will result in an increase in the volume of resources available for reducing poverty. FAO is concerned with the gap between the goals defined by the international conferences of the 1990s, including the World Food Summit, and the resources available for their achievement. It is for that reason that FAO will focus on strategies for mobilizing additional resources for hunger elimination and the sustainable development of agriculture. FAO believes that the World Food Summit target of halving the number of undernourished people by 2015 is attainable through strengthened cooperation between rich and poor countries, even though progress, to date, has been below the expectations expressed in 1996. Achieving the target will require a major effort in resource mobilization at both the national and international levels.

22. The Habitat II Conference and the Commission on Human Settlements have raised public awareness on the issues of urban poverty and have mandated the United Nations Centre for Human Settlements (Habitat) to focus its work programme on urban poverty reduction, through human settlements development strategies. The mandate was recently brought to the attention of the United Nations Development Group (UNDG) and the Executive Committee on Economic and Social Affairs.

23. The Declaration on Cities and Other Human Settlements in the New Millennium, adopted by the General Assembly at its twenty-fifth special session, contains a number of important paragraphs that address poverty eradication, mobilization of resources, debt relief, ODA and urban poverty. For example, it invited Governments, the United Nations and other international organizations to strengthen the quality and consistency of their support for poverty eradication and sustainable human settlements development, in particular, to the least developed countries. It requires not only renewed political will but also the mobilization and allocation of new and additional resources at both national and international levels. Furthermore, it urged the strengthening of international assistance to developing countries in their efforts to alleviate poverty, inter alia, by creating an enabling environment which would facilitate their integration

into the world economy, improving market access, facilitating the flow of financial resources and implementing fully and effectively all initiatives already launched regarding debt relief. The international community should consider further measures that would lead to durable solutions to the external debt burden of developing countries. The Declaration also emphasized the need to develop specific proposals for overcoming growing urban poverty.

24. The International Labour Organization (ILO) strives to maximize its efforts to reduce and ultimately eliminate the extreme poverty that afflicts the poorest in the world while setting in place policies that secure those gains in the future. This is reflected in three recent ILO documents:

(a) Poverty reduction and decent work in a globalizing world (GB.280/WPSDG/1);

(b) Report of the Working Party on the Social Dimension of Globalization;

(c) Reducing the decent work deficit: a global challenge (report of ILO Director-General to the 2001 International Labour Conference).

25. The ILO's goal of "decent work for all" is closely connected to achieving the targets for poverty reduction agreed at the Millennium Summit. ILO estimates that about 500 million of the 1.2 billion people currently living in extreme poverty, with incomes of $1 a day or less, are working poor. A further 500 million workers would fall into the group of those earning $2 a day or less. These 1 billion workers, or a third of the world's workforce, are the main providers for their families yet do not have decent work and are unable to earn enough to keep themselves and their families out of poverty.

26. The ILO's "decent work" approach is consistent with the growing recognition of the multifaceted character of poverty. It is based on the promotion of opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. Translating the concept into a policy framework for poverty reduction requires attention to the four broad and interconnected components of the concept: employment; labour standards, especially fundamental principles and rights at work; social protection; and social dialogue.

27. For the world's poorest people, productive employment and social protection are central to raising living standards, but rights and representation are needed to achieve them. ILO, therefore, aims to consolidate its work of poverty reduction into national programmes that are, in turn, integrated with those of other agencies. In the 1999-2000 biennium, about $150 million was allocated, in an extrabudgetary approach, to poverty-related programmes. They included combating child labour, small enterprise development, microfinance, employment-intensive investment programmes, HIV/AIDS prevention, and promotion of cooperatives. In addition, ILO is working with a large number of countries on labour law reform, the extension of social security systems, gender mainstreaming in employment policy, and capacity-building for trade unions and employers' organizations. The central feature of ILO's work is the view of social dialogue as a mechanism for embedding participation and thus ownership in poverty-reduction strategies. A successful example of this approach is the "Jobs for Africa" programme.

28. The ILO Director-General's report to the 2001 International Labour Conference identified a number of priorities for action with Governments, trade unions, employers' organizations and development agencies. They will become the major features of the ILO's continuing commitment to the success of the United Nations Decade for the Eradication of Poverty.

29. The International Monetary Fund (IMF) maintains that meeting the international development goals within the envisaged time frame will require a coordinated effort from the entire United Nations system and its Member States. The Fund recognizes that while international development goals provide targets at the global level, they will be achieved on a country-by-country basis, and each country will be expected to choose its own development policy targets and corresponding indicators consistent with the set of goals. While countries bear the responsibility for shaping their own development process, the Fund supports the global fight against poverty, including the international development goals, in a variety of ways.

30. In line with its specific mandate, the Fund primarily creates the appropriate environment for worldwide poverty reduction by fostering a sound international financial system and sustainable macroeconomic policies. The Fund is also strengthening its focus on crisis prevention, which has

important poverty implications due to the particularly negative impact of crisis on the poor.

31. At the country level, the Fund provides assistance and advice supporting high quality, pro-poor growth and price stability. The advice helps countries implement fiscal and monetary policies that are sustainable and supported by external financing that is consistent with achieving strong growth and debt sustainability. In providing that advice and support, the Fund directly contributes to the first of the international development goals — reducing the proportion of people living in extreme poverty by half.

32. Apart from general macroeconomic stability, Fund-supported programmes put particular emphasis on well-targeted public expenditure on health and education and other poverty-reducing programmes. The Fund continues to rely primarily on the World Bank for advice on the design of well-targeted, efficient and effective expenditure policies, which forges a closer link between public spending and results. The elaboration of policies to help meet targets of social indicators, including those linked to the international development goals, is an integral element of countries' poverty-reduction strategy papers in programmes supported by poverty reduction growth facilities. Those national strategies will thus address goals such as: enrolling all children in primary school; achieving gender equality; reducing infant mortality by one half; and reducing maternal mortality by three fourths.

33. To protect the poor in the short run and sustain progress already achieved towards the international development goals, Fund-supported programmes continue to include social safety nets to cushion the negative impact of economic reforms and external shocks on vulnerable groups. Social safety nets were expected to be more systematically incorporated into poverty-reduction growth facilities and other Fund-supported programmes.

34. In addition to continuing with efforts to improve the well-being of the poor, IMF contributes to the monitoring of progress towards international development goals in three ways: disseminating information of growth rates in countries; reporting the composition of government expenditures with a view to encouraging countries to reduce unproductive expenditures, such as excessive military expenditures; and tracking trends in social expenditures and social indicators in low-income countries and transition economies.

35. The Fund continues to work with the World Bank, United Nations agencies and OECD to agree on appropriate mechanisms and institutional leadership to monitor progress towards achieving the international development goals both at the country and global levels.

36. The United Nations Educational, Scientific and Cultural Organization (UNESCO) considers poverty eradication to be a political imperative and a significant condition for world peace, security and stability. It attaches great importance to the promotion of the right to development, which is a powerful means in the struggle against poverty. Taking into account various internationally agreed plans and frameworks for action, such as the Dakar Framework for Action, the outcome of the Stockholm Conference on Cultural Policies for Development, the Budapest Conference on Science, and the Plan of Action for a Culture of Peace, UNESCO pursues three interrelated strategic objectives.

37. The first objective is to contribute to a broadening of the focus of international and national poverty reduction and development strategies by mainstreaming of education, culture, the sciences and communication. Secondly, UNESCO supports the establishment of effective linkages between national poverty reduction strategies and sustainable development frameworks, focusing on UNESCO's areas of competence. Furthermore, the organization assists in mobilizing social capital by building capacities and institutions, especially in the public domain, with a view to enabling the poor to enjoy their rights. Thirdly, it contributes to the creation of a national policy framework and environment for the empowerment of the poor.

38. UNESCO's priority areas are:

(a) Policy formulation and implementation, including assisting in the design of country-owned, integrated pro-poor national policies and frameworks, involving all stakeholders, and building the capacities to realize participatory and inclusive strategies at national and local levels;

(b) Advocacy and information, emphasizing that freedom from poverty is a human right, a global

ethical imperative, and a top priority for Governments and the international community;

(c) Policy-oriented research contributing to an analysis of causes and effects of extreme poverty and monitoring progress towards its eradication;

(d) Capacity-building, particularly in countries immersed in or emerging from conflict or natural disasters;

(e) Innovative field projects, especially projects with cross-cutting themes to demonstrate feasibility and potential results as a basis for translating them into policies and mainstreaming them.

39. UNESCO's programme activities are targeted at the urgent needs of disadvantaged and excluded groups, such as women and youth, or geographical regions such as Africa and the least developed countries. UNESCO's strategy is underpinned by ongoing development initiatives, including outcomes and targets adopted by the international conferences and the use of existing mechanisms, such as common country assessments, the United Nations Development Assistance Framework, and the poverty reduction strategy papers.

40. With regard to paragraph 25 of resolution 55/210, the United Nations Children's Fund (UNICEF) points out that the social goals for children set at the World Summit for Children in September 1990 have generally been reflected in subsequent programmes of action of international conferences, including the Millennium Declaration. As stated in UNICEF's paper "Poverty reduction begins with children", universal access to basic social services, defined as those services required to achieve the goals for children, are seen as part and parcel of a viable poverty reduction strategy.

41. UNICEF draws attention to the Secretary-General's report "We the Children: End-decade review of the follow-up to the World Summit for Children" (A/S-27/3), which contains an assessment of progress and shortfalls globally in achieving major goals. The report found that the goal to reduce infant and under-five mortality by one third was achieved by more than 60 countries. However under-five mortality rates increased in 14 countries (nine of them in sub-Saharan Africa) and remained unchanged in 11 other countries. At the global level, under-five mortality rates declined by 14 per cent. In meeting the goal of the eradication of polio by 2000, the report found that more than 175 countries were polio-free, although the disease is still endemic in 20 countries. Worldwide reported measles incidence declined by nearly two thirds between 1990 and 1999, although in more than 15 countries measles vaccination coverage is less than 50 per cent.

42. In reference to best practices and obstacles encountered in the implementation of the first United Nations Decade for the Eradication of Poverty, UNICEF anticipates that the declaration of the special session on children, currently under negotiation, will set out the goals and targets for 2010, which could accelerate the achievement of the goals for children that have not yet been met. The goals will also serve as milestones for the achievements of the social goals of the Millennium Declaration set for 2015. UNICEF expects that the declaration will be adopted at the special session in September 2001.

43. With regards to the global resources required to achieve the goals through universal access to basic social services and the need to provide a package of basic health care, a joint assessment carried out in 1995 by UNICEF, UNDP, UNESCO, UNFPA, and WHO suggested an annual resource gap of $70-80 billion. The 20/20 initiative was launched to bridge that gap. An assessment made by UNICEF and UNDP on the implementation of the 20/20 initiative suggest that developing countries, on average, allocate 12-14 per cent of public expenditures to basic social services; an assessment by OECD/DAC suggests that donor Governments allocate, on average, 11 per cent of sector-allocable bilateral aid to those sub-sectors. In recent years it has also been possible to mobilize resources for health goals from private sources, including the United Nations Foundation, the Bill and Melinda Gates Foundation, and a number of pharmaceutical companies.

44. UNICEF is in the process of reviewing experiences with costing of global goals and in costing goals at the national level. The organization will work with other United Nations partners, particularly UNDP, to develop realistic estimates for the current goals. Initial estimates are expected early next year, building among other resources on the estimates of the annual resource gap of $8-9 billion to meet basic education goals reconfirmed at the Dakar meeting on Education for All in June 2000.

45. The United Nations Population Fund (UNFPA) is fully committed to the advancement of the agendas of

the international conferences of the 1990s and to the Millennium Declaration. The Fund advocates for and supports the implementation of the programmes and platforms for action adopted at those conferences on population and development issues. UNFPA plays a major role in advocating for and assisting countries achieve the goals of the International Conference on Population and Development Programme of Action and the further recommendations for achieving those goals arising from the Conference review held in 1999. Through its extensive country and intercountry programmes, UNFPA supports countries in implementing and monitoring progress towards global conference goals in such areas as primary health care, including reproductive health, basic education for all and especially for girls, women's empowerment and gender equality, and population-based poverty development goals.

46. As Chair of the Administrative Committee on Coordination (ACC) Task Force on Basic Social Services for All, UNFPA collaborated with other United Nations agencies and organizations to strengthen the system's follow-up mechanisms for delivering coordinated assistance at country and regional levels. The ACC Task Force provided coordinated support to the resident coordinator system and United Nations country teams, enabling them to better assist countries in developing country-specific policies, plans and programmes to implement the conference goals. In October 2000, the Task Force completed new and/or revised guidelines for the United Nations resident coordinator system in the following areas: adolescent sexual and reproductive health, basic education, maternal mortality, primary health care, reproductive health indicators, and HIV/AIDS.

47. UNFPA, through the UNDG, actively contributed to the preparation of the action strategies on halving extreme poverty and on girls' education and provided inputs to the road map for achieving the Millennium Declaration goals. The Fund also collaborates with the Statistics Division of the Department of Economic and Social Affairs, United Nations Secretariat, to help promote country-level capacity-building of national statistical systems, especially in relation to population census and survey-taking data sources that are essential for the construction of population-based indicators for monitoring progress towards global conference goals.

48. UNFPA is convinced that commitments by the international community to achieve poverty reduction goals need to be followed up with commensurate commitments with respect to the provision of resources. Failure to meet agreed financial targets, in the context of declining ODA and mounting debt burdens, will undermine the achievement of the global conference goals, especially in the poorest countries. Similarly, the HIV/AIDS pandemic is undermining progress towards the global conference goals.

49. The United Nations Industrial Development Organization (UNIDO) emphasizes that industrial development is particularly relevant in addressing the issue of poverty eradication. Under the process of globalization, the role of industrial development as a key contributor to poverty eradication is constantly increasing. Building productive capacities for industrial growth is crucial for alleviating poverty. Industry is a driver of economic growth. It is industry that provides a breeding ground for entrepreneurship, fosters technological development, produces goods for export, creates skills and jobs and, through intersectoral linkages, establishes the foundation for both agriculture and services to expand.

50. UNIDO contributes to this process through an integrated programme approach. In 43 countries, integrated programmes address poverty alleviation through industrial development by improving industrial governance and institutional infrastructure, strengthening small and medium-sized enterprises, upgrading technological capacities, skills and access to modern technology, export and trade capabilities, and adopting energy efficient and cleaner productive measures.

51. As the focal point in the United Nations system for the least developed countries, the secretariat of the United Nations Conference on Trade and Development (UNCTAD) conducted the preparatory process for the Third United Nations Conference on the Least Developed Countries. It also provided support to the least developed countries in the elaboration of their national programmes of action for submission to the Conference and produced "Least developed countries 2000 report: aid, private capital flows and external debt: the challenge of financing development in the LDCs" (UNCTAD/LDC (2000)).

52. The overarching goal of the Programme of Action adopted by the Conference on the least developed countries is to make substantial progress towards halving the proportion of people living in extreme

poverty and suffering from hunger by 2015 and promoting the sustainable development of the least developed countries. Major new commitments were made at the Conference. They include the commitment to provide financial resources for the implementation of the enhanced HIPC initiative; debt relief; the need to explore a moratorium on debt service payments; untying aid to the least developed countries; and working towards duty-free and quota-free market access for all the products of the least developed countries. With regard to debt and the debt-servicing problems of those countries, UNCTAD believes a bolder approach is needed. It calls for an objective and comprehensive assessment by an independent panel of experts on issues related to debt sustainability, eligibility for debt reduction, the amount of debt reduction needed, conditionality, and modalities regarding the provision of necessary funds. Meanwhile, UNCTAD calls for an immediate suspension of the debt-service payments of all HIPCs, with no consequent additional interest obligations being incurred until the panel has made its recommendations and agreement has been reached on reduction of the debts of the least developed countries.

53. With regard to the plight of African countries, UNCTAD's report "Capital flows and growth in Africa" (UNCTAD/GDS/MDPB/7) found that growth in Africa continues to be too erratic and too slow to permit an increase in both living standards and domestic savings. Since private capital inflows, particularly FDI, lag behind rather than lead growth, the task of filling the resource gap inevitably falls on official financing. Breaking the vicious circle of low growth and poverty requires, inter alia, a sustained injection of external financing in amounts large enough (double the current flows of ODA), to give a major push to the region to accelerate and maintain growth at levels higher than in the past and thereby reduce aid dependency in the future. Furthermore, the report stressed that, while the quantity of ODA is important, it is equally important that aid be given on the basis of the real requirements of the recipients and not be tied and donor-driven. Also it is important for specific poverty reduction strategies to be combined with strategies for the development of infrastructures, rural development, capacity-building and diversification. The report emphasized that adjustment programmes need to be reviewed in order to take into account the realities of individual African economies. The desire of the international community to reduce absolute poverty by half should be combined with a strategy that addresses poverty on all continents.

54. With regard to the link between trade and poverty reduction, what is needed is a better understanding of how international trade policy can be constructed to alleviate poverty. In that connection, a new UNCTAD study, *Duty and quota-free market access for LDCs: an analysis of quad initiatives* (UNCTAD/DITC/TAB/Misc.7), highlights the impact that enhanced market access will have on the least developed countries and examines the per capita GDP effects from market access for a small subset of countries. For international trade to make a positive contribution to poverty alleviation, addressing issues of market access for the products of developing countries will be a necessary condition, but not a sufficient one. Without adequate physical access to market places, trade cannot take place. For developing countries, excessive transport costs create a major barrier to access to foreign markets. For producers of low-value goods with little potential for diversification but high risk of substitution, success or failure in foreign markets is largely determined by the availability and cost of transport services.

55. Developing countries must find ways to improve the efficiency of their transport infrastructure. They must also strive to benefit fully from new information and communication technologies, since access to information is rapidly becoming a determinant of the capacity of developing countries to derive maximum benefit from international trade. Assistance will be required in their efforts to upgrade their regulatory framework, in human resources development and in the implementation of reform processes.

56. United Nations University (UNU) maintains that the 2015 poverty target will not be met unless growth policies are made more distributionally favourable. Basic commitments — particularly in terms of primary school enrolments and gender equity at primary and secondary levels — are not being met at the national and international levels. And without investing more in human development, developing countries will not be able to sustain the rapid growth necessary to reduce poverty.

57. UNU generates knowledge and builds capacities on issues of human security and development, in particular in developing countries. Its work focuses on a broad range of topics related to poverty, including

food security, water, economic growth, globalization and urbanization.

58. UNU recently completed a major research initiative on the links between poverty, inequality and growth. The research created an extensive database on inequality trends within countries over the past few decades. The trends are sobering: since the early-mid 1980s, inequality has risen — in many cases sharply — in most countries. The analysis highlights several worrying conclusions: rising inequality makes it much more difficult to reduce poverty, and high levels of inequality can also depress the rate of growth. In order to meet the 2015 poverty target, it will be essential to make pro-growth policies more distributionally favourable.

59. Given the increasing concern that information is becoming a factor, like income, by which countries are classified as rich or poor, UNU has undertaken a major research initiative highlighting the importance of information technology (IT) for economic growth. The worrying aspect is that many developing countries have neither invested in IT nor benefited from the rapid technological change. Every country needs to formulate national IT strategies if it wants to improve the standard of living of its citizens. But for IT advances to lead to development, it is local innovations that are of critical importance. Currently many developing countries do not have the infrastructure or capabilities to translate global advances into local benefit. Governments can promote the use of IT in two relatively non-expensive ways: eliminate the barriers to IT use by lowering taxes, tariffs and other trade barriers on computer imports and by encouraging competition in telecommunications, and Governments should become sophisticated IT users themselves.

60. As we move into the twenty-first century, almost half of the world's population will reside in dense urban agglomerations. The trend towards urbanization is particularly pronounced in the Asian and Pacific region, and the most dramatic changes are yet to come. The United Nations predicts that there will be 1.3 billion more people living in Asian and Pacific cities in 2025 than in 1995, an increase of over 90 per cent. China alone will account for the rural-to-urban movement of over 400 million people during that period. The challenge for UNU and the international community is to develop informed responses to the unprecedented population, economic, environmental and technological changes in human settlements.

61. The UNU capacity-building programme is intended to strengthen academic institutions in developing countries and to assist the career development of scholars and scientists. UNU provides over 120 fellowships each year to young scholars, focusing on issues from human nutrition to biodiversity to fisheries management. Also, UNU is endeavouring to increase its integrated capacity-building activities.

62. The flexible nature of the Internet offers excellent opportunities to support lifelong learning and other forms of distance education, such as the open university model. The UNU Virtual University Initiative (VUI) provides a new means to support and enhance education, research and dissemination via the Internet. VUI is eventually intended as a way for UNU to help bridge the knowledge gap between developed and developing societies. It will also function as a support system for United Nations agencies around the globe by providing them with the option of transferring their project-based activities into educational and learning modules.

63. UNU organizes a large number of programmes aimed at upgrading individual and institutional capacities through the provision of specialized training. For most of those programmes, fellowships are available to enable the participation of (mainly younger) scholars and practitioners from developing countries. A number of UNU institutes offer Ph.D. internships in issue areas relevant to their work. UNU also facilitates scientific exchange, particularly South/South cooperation, by supporting networking activities of developing country scholars.

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Role and achievements of the Office of the United Nations High Commissioner for Human Rights in assisting the Government and people of Cambodia in the promotion and protection of human rights

Report of the Secretary-General**

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** In accordance with General Assembly resolution 55/222, section III, paragraph 10, this report is being submitted on 31 July 2001 so as to include as much updated information as possible.

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I. Introduction

1. The Office of the United Nations High Commissioner for Human Rights in Cambodia (OHCHR/Cambodia) was established pursuant to Commission on Human Rights resolution 1993/6 of 19 February 1993, which entrusted the Office with carrying out the following activities:

(a) Manage the implementation of educational and technical assistance and advisory services programmes and ensure their continuation;

(b) Assist the Government of Cambodia established after the election, at its request, in meeting its obligations under the human rights instruments to which it had recently acceded, including the preparation of reports to the relevant monitoring committees;

(c) Provide support to bona fide human rights groups in Cambodia;

(d) Contribute to the creation and/or strengthening of national institutions for the promotion and protection of human rights;

(e) Continue to assist with the drafting and implementation of legislation to promote and protect human rights;

(f) Continue to assist with the training of persons responsible for the administration of justice.

OHCHR/Cambodia also assists the Special Representative of the Secretary-General for human rights in Cambodia in the discharge of his/her functions. In subsequent resolutions, the Commission on Human Rights and the General Assembly requested the Secretary-General, through his Special Representative for human rights in Cambodia, in collaboration with OHCHR/Cambodia, to assist the Government of Cambodia in ensuring the protection of the human rights of all people in Cambodia.

2. The present report contains information on the role and achievements of OHCHR from December 2000 to June 2001 in assisting the Government and people of Cambodia in the promotion and protection of human rights. It has been prepared pursuant to General Assembly resolution 55/95 of 4 December 2000.

3. In that resolution, the General Assembly noted with concern the continued problems related to the rule of law and the functioning of the judiciary, and urged the Government of Cambodia to take measures to develop an independent, impartial and effective judicial system, including through the early adoption of the draft statute on magistrates, a penal code and a code on criminal procedures, and the reform of the administration of justice; expressed grave concern about continued violations of human rights, including torture, extrajudicial killings, excessive pre-trial detention, violation of labour rights, including child labour, illegal confiscation of land and forced relocation, the apparent lack of protection from mob killings, the continued prevalence of impunity in Cambodia, as well as about prison conditions; called upon the Government to take further measures to investigate urgently and prosecute, in accordance with due process of law and international human rights standards, all those who had perpetrated violations of human rights; and urged an end to racial violence against and vilification of ethnic minorities, including the ethnic Vietnamese.

4. The General Assembly welcomed the draft governance action plan prepared by the Government and encouraged its early adoption and implementation; commended the Government's initial efforts with regard to the review and the stated commitment to the downsizing of the police and the military, and urged it to take further measures to carry out effective reform aimed towards professional and impartial police and military forces; welcomed the initial progress made under the five-year action plan by the Ministry of Women's and Veterans' Affairs, and urged the Government to continue to take appropriate measures to eliminate all forms of discrimination against women and to combat violence against women; and commended the efforts of the Government, OHCHR and civil society in the field of human rights education and training.

5. While welcoming the investigations into some cases of politically motivated violence, the General Assembly remained concerned at the continued reports of politically motivated violence and intimidation, and urged the Government to undertake further investigations and to take appropriate measures to prevent politically motivated violence and intimidation in the future; and also reaffirmed the importance of the upcoming communal elections being conducted in a free and fair manner.

6. In resolution 55/95 the General Assembly also welcomed the successful conclusion of the talks between the Government and the United Nations Secretariat on the question of the trial of Khmer Rouge leaders and appealed strongly to the Government to ensure, including by facilitating the expedited completion of the necessary legislative process as soon as possible, that those Khmer Rouge leaders were brought to account in accordance with international standards of justice, fairness and due process of law.

7. The General Assembly also called upon the Government to continue to take further measures to ensure adequate health conditions and the right of Cambodian children to education, while welcoming the Government's initiatives in those areas; welcomed the actions taken by the Government to combat illicit logging, expected those efforts to continue, and welcomed the progress made on the drafting of the new law on land.

II. Assistance to the Special Representative of the Secretary-General for human rights in Cambodia

8. During the period under review, OHCHR/Cambodia provided assistance to the Special Representative of the Secretary-General, Peter Leuprecht (Austria), in carrying out the mandate entrusted to him by the Commission on Human Rights in resolution 1993/6 and subsequent resolutions. His mandate comprises the following three main tasks: (a) to maintain contact with the Government and people of Cambodia; (b) to guide and coordinate the United Nations human rights presence in Cambodia; and (c) to assist the Government in the promotion and protection of human rights.

9. OHCHR/Cambodia regularly brought to the attention of the Special Representative of the Secretary-General matters of concern, including individual cases of allegation of human rights violations and followed up on issues raised by the Special Representative during his first visit (26 November-2 December 2000) and second visit (16-23 February 2001) to Cambodia. The Special Representative reported to the Commission on Human Rights at its fifty-seventh session on the findings of his first mission (see E/CN.4/2001/103).

10. The Special Representative of the Secretary-General carried out a third mission to Cambodia and Thailand (22-28 June 2001). Findings of the second and third visits to Cambodia are discussed in his report to the General Assembly at its fifty-sixth session (A/56/209).

III. Role of the Office of the United Nations High Commissioner for Human Rights in assisting the Government and people of Cambodia in the promotion and protection of human rights

A. Memorandum of Understanding between the Royal Government of Cambodia and the Office of the United Nations High Commissioner for Human Rights

11. The previous Memorandum of Understanding expired on 28 February 2000. As the General Assembly and the Commission on Human Rights were previously informed, the Government had verbally agreed to the extension of the Memorandum until March 2002 in order to enable the Office to continue its operations and programmes.

12. Negotiations between the Government and OHCHR for the formal renewal of the Memorandum of Understanding were initiated in August 1999. In its resolution 55/95, the General Assembly requested the Government of Cambodia and OHCHR to exchange the Memorandum for the extension of the mandate of the Office after March 2000, and encouraged the Government to continue to cooperate with the Office. The Commission on Human Rights, in resolution 2001/82, also requested the Government of Cambodia and OHCHR to sign the Memorandum without further delay and encouraged the Government of Cambodia to continue to cooperate with the Office.

13. During the reporting period, several meetings were held and correspondence was exchanged between the Special Representative of the Secretary-General and the Minister for Foreign Affairs and Cooperation, as well as between staff members of OHCHR/Cambodia and the Ministry to discuss the

Memorandum of Understanding with a view to finalizing the document.

14. At the time of writing of this report, negotiations between the two parties to the Memorandum of Understanding are still ongoing on one outstanding issue.

B. Programme priorities and strategy

15. Based on the mandate established in Commission on Human Rights resolution 1993/6, the ongoing assessment of human rights needs in the country, and the development priorities of the Government, OHCHR/Cambodia has developed a programme of activities for 2001 that includes the following objectives:

(a) Assisting the Government and people of Cambodia in the promotion and protection of human rights, as well as supporting the Special Representative of the Secretary-General in the implementation of his mandate to promote and protect human rights;

(b) Contributing to the establishment of a legal framework consistent with international human rights standards and the development of an efficient and participatory law-making process;

(c) Strengthening the justice delivery system to contribute to ensuring the rule of law and the promotion and protection of human rights;

(d) Strengthening the national capacity to secure the rule of law and fair and professional law enforcement, consistent with international human rights standards;

(e) Enhancing the capacity of the Government of Cambodia to meet its international human rights treaty reporting obligations, and advocating for ratification of additional international human rights instruments;

(f) Enhancing the capacity of Cambodian non-governmental organizations and civil society organizations to carry out human rights protection and promotion activities;

(g) Addressing human rights concerns in poverty-related issues, in particular by promoting equitable access to and management of land and other natural resources, adequate workers' conditions, and equitable access to basic services;

(h) Promoting an enabling environment for the conduct of free and fair elections at the commune level through the establishment of an adequate legal framework, the promotion of public awareness on the human rights aspects of elections, and the monitoring of the electoral process.

16. The programme strategy combines monitoring, capacity-building and technical assistance with a view to strengthening institutions and civil society as well as the legal framework. It entails activities directed at the three branches of the State, non-governmental organizations and civil society groups. The programme builds on the past contribution of OHCHR/Cambodia in the above areas and emphasizes the need to contribute to sustainability of what has been achieved so far and to respond to emerging challenges in strengthening the institutions that are in the process of being established.

C. Protection of human rights

17. During the reporting period, some 160 cases of alleged human rights violations were reported to OHCHR/Cambodia, either at the central office in Phnom Penh or at the provincial offices in Battambang, Banteay Meanchey, Kampot, Kompong Cham, Malai, Pailin, Prey Veng and Siem Reap. Protection activities were carried out at the national level by the central office with the support of provincial offices.

18. In accordance with the established policy of OHCHR/Cambodia, the Office's efforts focused mainly on the investigation of individual cases of alleged human rights violations representing a serious security threat to victims. Other cases that represent a larger problem in the country, such as land disputes, trafficking, sexual exploitation and violence against women were also given priority. A large number of cases brought to the attention of OHCHR/Cambodia were either jointly investigated and/or were referred to different human rights non-governmental organizations working on the investigation of general and/or specific human rights violations. In addition to local interventions, OHCHR/Cambodia also addressed 27 letters to the Government authorities requesting their direct intervention and investigation in connection with documented cases of human rights violations.

19. In view of the forthcoming commune elections in early February 2002, OHCHR/Cambodia has also

concentrated efforts in the investigation and documentation of incidents of violence and intimidation possibly related to the commune elections. A programme in this area has been prepared by the Office and will be initiated during the second half of 2001. This programme will include expert advice and additional human resources to monitor the elections process under the direct coordination of the Special Representative of the Secretary-General.

20. OHCHR/Cambodia continued to document alleged human rights violations, in particular in the area of mob-killings, police violence, torture and trafficking of persons.

B. Activities of OHCHR/Cambodia in the implementation of the technical cooperation programme

1. Assistance for the drafting and implementation of legislation to promote and protect human rights

21. OHCHR/Cambodia continued to provide assistance to the legislative, executive and judicial bodies as well as to non-governmental organizations involved in the law-making process by providing legal advice and training. The aim of this activity is to promote a participatory law-making process, improve the technical quality of draft laws and ensure that adopted laws are in accordance with international human rights standards.

22. During the reporting period, OHCHR/Cambodia provided advice to the Government on a number of legislative initiatives, including the draft penal code, forestry law, domestic violence law, arms law, law on non-governmental organizations, law on election of commune councils, National Election Commission regulations and the amendment of prison regulations.

23. OHCHR/Cambodia is facilitating and participating in working groups of non-governmental organizations to promote the participation of the civil society in the law-making process. The Office is currently organizing weekly meetings with the non-governmental organizations to review the draft penal code. Input from legal experts and concerned United Nations agencies is sought and made available to the working committee on the draft penal code at the Ministry of Justice.

24. Twenty-seven persons from the National Assembly, the Senate, the Constitutional Council, the Supreme Council of the Magistracy, the Council of Ministers and various ministries and non-governmental organizations participated in a 15-week training course on legislative drafting. A new training course on legislative drafting started in June 2001. It is attended by 30 participants, mainly members of the Senate and the National Assembly, senior government officials, and members of civil society. An advanced level training course on legislative drafting is scheduled to start in July 2001.

25. In order to make essential laws and regulations available to the courts, the Government and non-governmental organizations, OHCHR/Cambodia is working on producing a third compilation of laws in force in Cambodia. Since no formal and regular system for publication of laws exists in Cambodia, the compilation is a very useful tool for courts, police and Ministries, especially at the provincial level where access to information is more difficult.

26. OHCHR/Cambodia has actively participated in donor and Government discussions on the need for legal and judicial reform. Discussions were held with representatives of the international community in Cambodia with a view to advising them on appropriate assistance schemes on legislative and judicial issues.

2. Creation of national institutions and strengthening other government bodies for the promotion and protection of human rights

27. OHCHR/Cambodia works closely with, and provides assistance to, a number of national institutions with human rights responsibilities. These institutions include the Commissions on Human Rights and Reception of Complaints and the Legislative Commissions of the National Assembly and the Senate, the Supreme Council of the Magistracy, the Courts, the Office of the Prosecutor General, the Inter-Ministerial Committee on the Preparation of Human Rights Reports to the United Nations, the Governmental Cambodian Human Rights Committee, the Land Disputes Settlement Commission, the Cambodian National Police, the Royal Cambodian Armed Forces, the Royal Gendarmerie, the Prison Department, the Ministry of Justice, the Ministry of Women's and Veterans' Affairs, and non-governmental organizations.

28. OHCHR/Cambodia supported the organization of the Human Rights Day celebration by the Governmental Cambodian Human Rights Committee, and the Committee's presence at the fifty-seventh session of the Commission on Human Rights in connection with the Commission's review of the situation of human rights in Cambodia. Other specific activities carried out in cooperation with or to assist the above institutions are outlined in various sections of this report.

29. In May 2001, the Cambodia Working Group on the Establishment of Regional and National Human Rights Mechanisms, composed of a number of non-governmental organizations, members of the Senate and the National Assembly, and government officials, organized a workshop on prospects for the establishment of an independent national human rights institution in Cambodia. OHCHR/Cambodia provided reference materials to the Working Group, including the Paris Principles and a compilation of laws from various countries establishing similar institutions. The Special Adviser to the High Commissioner on National Institutions participated in the workshop as a resource person.

3. Capacity-building and training for government officials in the administration of justice

30. OHCHR/Cambodia continued its activities aimed at enhancing the capacity of governmental institutions to promote and protect human rights through increased understanding and application of human rights standards.

(a) Royal Cambodian Armed Forces (RCAF) and Royal Gendarmerie

31. Since 1995, some 40 RCAF officers who were trained by OHCHR/Cambodia have been conducting human rights training sessions, with the assistance of OHCHR/Cambodia, for RCAF members throughout the country. Based on the schedule for RCAF Human Rights and Law Training issued by the Ministry of Defence, the RCAF trainers conducted 43 training courses from December 2000 to April 2001 in 15 Cambodian provinces and municipalities. Some 1,250 RCAF members were trained in this period.

32. In order to achieve the sustainability of human rights education for RCAF, the new approach is the integration of human rights training into the curricula of military schools. Therefore, the RCAF training programme on human rights law was terminated in April 2001. OHCHR/Cambodia and the RCAF Training Department started focusing on the integration of human rights teaching in the military schools. A national workshop is planned for July 2001 to take stock of the training conducted by RCAF since 1995 in cooperation with OHCHR/Cambodia, review the training materials and gather the RCAF trainer's input on future plans.

33. A one-week training course for about 40 Royal Gendarmerie Commanders and Deputy Commanders from Cambodian provinces and municipalities was held in December 2000. At the request of the Royal Gendarmerie's Training Department, OHCHR/Cambodia conducted for Royal Gendarmerie officers several sessions on human rights and law in the context of general training programmes.

(b) Cambodian National Police

34. During the period under review, extensive training continued to be conducted throughout Cambodia based on the schedule issued by the Ministry of the Interior for the Police Human Rights and Law Training Programme. During the period from December 2000 to May 2001, OHCHR-trained police instructors trained some 2,260 police officials using the curriculum developed by OHCHR/Cambodia. A total of 59 training courses were conducted in 16 Cambodian provinces and municipalities. OHCHR/Cambodia assisted the instructors in delivering the courses.

35. OHCHR/Cambodia participated in a review session of police training activities organized by the Ministry of the Interior, involving police officials from all Cambodian provinces and those who provided assistance. The Ministry noted that in 2000 over 9,000 police officers received general training and over 4,000 received human rights and law training by OHCHR/Cambodia-trained police human rights instructors. Human rights reference and training materials were delivered to the Phnom Penh and Kandal police training schools.

36. Implementation of the inter-agency project "Law Enforcement against Sexual Exploitation of Children", of which OHCHR/Cambodia is a member together with the United Nations Children's Fund (UNICEF), the International Organization for Migration (IOM), Rädda

Barnen, World Vision and the Ministry of the Interior, continued. The overall goal of the project is to improve the capacity of the police, investigating judges and prosecutors to investigate cases of sexual exploitation and trafficking of children, including rescue of victims, development of referral systems, arrest of offenders and initiation of court proceedings. The main components of the project are the development of police operating procedures in the investigation of cases of sexual exploitation against children, the development of training materials and the basic training of senior police officers, and the establishment and in-depth training of a specialized investigation team.

37. During the reporting period, the Manual on "Understanding and Investigating Child Sexual Exploitation" and the Trainer's Guide on the same topic were finalized. Also completed were the two training videos on modules of correct and incorrect police action in the investigation of cases of child sexual exploitation, and a sensitization film on the problem of child sexual exploitation in a Cambodian context, and police action thereon. Police trainers who were trained during 2000 started conducting training and sensitization workshops for police commissioners and deputy commissioners in Cambodian provinces and municipalities on the issue of child sexual exploitation, based on the above materials. Six one-week workshops for judicial police in six provinces were completed, and two national seminars were held in Phnom Penh. The investigation team established and trained under the project continued to investigate cases of sexual abuse against children and rescued several children victims of sexual abuse.

(c) Codes of conduct

38. A working group composed of representatives of the Royal Cambodian Armed Forces, the Royal Gendarmerie, the Cambodian National Police, the Senate Human Rights Commission, the local non-governmental organization — the Cambodian Institute of Human Rights, the United Nations Educational, Scientific and Cultural Organization (UNESCO), OHCHR/Cambodia and the European Union finalized draft codes of conduct for RCAF, the Royal Gendarmerie and the Cambodian National Police and submitted them to the Government for approval.

4. Implementation of education and technical assistance and advisory services programmes

(a) Education for government officials and general population

University education

39. In January 2001, OHCHR/Cambodia started a project to assist the Faculty of Law and Economic Sciences of the University of Phnom Penh in the establishment of a Human Rights Chair and a Human Rights Section at the Library. The project consists of the expansion of the current basic course on human rights and broader integration of human rights teaching into the Faculty's curriculum, the development of a curriculum, the acquisition of basic documents for research and reference, and the strengthening of the capacity of the Faculty staff to teach human rights. OHCHR/Cambodia assisted in sending a Cambodian professor to attend the thirty-second Study Session of the International Institute of Human Rights in Strasbourg in July 2001. OHCHR/Cambodia started reviewing the documentation available at the Library, and identifying reference materials on international human rights law that will need to be purchased under the project. A Steering Committee comprising OHCHR/Cambodia, UNESCO, the Ministry of Education and Faculty members was established to advise on project implementation.

Environmental rights

40. With continued assistance from OHCHR/Cambodia, officials of the Ministry of Environment conducted three one-day anti-logging workshops in the municipality of Kep and in Kampot Province. Participants included personnel of the National Police, the Royal Cambodian Armed Forces and the Royal Gendarmerie. The workshops stressed the need for those institutions to cooperate in order to prohibit logging in designated national parks and protection areas.

Trafficking

41. During the reporting period, training sessions on the legal aspects of trafficking of human beings and sexual exploitation for high school students, village-level authorities, teacher trainees, villagers and karaoke bar owners were conducted by provincial offices of OHCHR/Cambodia.

42. OHCHR/Cambodia is a member of the Cambodian National Project Committee against Trafficking of Women and Children in the Mekong Sub-Region. Other members of the Committee are representatives of a number of Ministries, two non-governmental organizations, UNICEF, the United Nations Development Programme and IOM. The Committee is chaired by the Minister of Women's and Veterans' Affairs. It holds monthly meetings to review progress in the implementation of the project and discuss issues of relevance to the prevention of trafficking and the protection of trafficking victims.

43. Together with UNICEF, UNDP, the Ministry of Women's and Veterans' Affairs and a non-governmental organization, OHCHR/Cambodia is also a member of the Core Committee of the project. The Core Committee started meeting in January 2001. It developed criteria for the screening of project proposals by Government agencies and non-governmental organizations for funding under the project, and reviewed and selected nine proposals that were subsequently endorsed by the National Project Committee.

Information

44. Posters produced by OHCHR/Cambodia on minorities, human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) and human rights, mob killings and trafficking were distributed to military and police trainers, non-governmental organizations, schools, markets, police stations, hospitals, prisons and courthouses. Human rights publications, laws, and information materials are regularly distributed to the general public, non-governmental organizations and government officials.

45. Human Rights Day celebrations were organized at the provincial level by several OHCHR/Cambodia provincial offices in collaboration with non-governmental organizations, local government officials and the public.

(b) Assistance to the judiciary

46. OHCHR/Cambodia implements a Judicial Mentor Programme that provides practical assistance to the judicial system in Cambodia. The programme started in 1995 and has covered 15 courts in Cambodia. At the time of the writing of this report, offices of the Programme operate in the following six courts: Kompong Cham Provincial Court, Supreme Court, Phnom Penh Municipal Court, Battambang Provincial Court, Svay Rieng Provincial Court and Prey Veng Provincial Court.

47. Judicial mentors, international lawyers recruited as consultants, provide daily advice and training to the court staff on administrative and legal issues focusing on the implementation of international human rights standards in their work. Other specific activities include trial monitoring so as to enable judicial mentors to accurately assess and advise court staff in their work. The judicial mentors also consult with and assist in the training of other actors, including police and prison officials.

48. The experience of the judicial mentors is also being used to help the Government in drafting new laws. This experience is used to develop the draft penal code, the draft forestry law and the draft domestic violence law. A judicial mentor is involved in the drafting of these new laws.

49. Recently a judicial mentor has been seconded to the Supreme Court and will concentrate on issues specifically concerning the role of the Supreme Court. The judicial mentors in the Supreme Court and the Court of Appeal are being advised of the experiences of the judicial mentors in the provincial courts. This enables them to address in a more effective manner issues affecting the delivery of judicial services.

50. Judicial mentors provide assistance to actors in the legal system by holding monthly meetings during which the actors try to identify problems that exist in the legal system and find solutions to these problems.

51. The Judicial Mentor Programme also provides information to OHCHR/Cambodia on the existing problems in the judiciary. The Office communicates the information to the authorities responsible for the administration of justice.

52. A number of workshops to strengthen the administration of the courts and thus provide a more effective and accessible court system were conducted with provincial courts with a focus on the court clerks. Those workshops were conducted with the assistance of the British Embassy. Workshops were held in Kompong Cham, Sihanoukville, Battambang and Ratanakiri. Those workshops brought together representatives of all courts within a particular region

and enabled court staff to meet informally and discuss issues affecting the efficient functioning of their courts.

53. The judicial mentors participated as resource persons in training courses for court clerks organized by the Ministry of Justice as part of the staff development programmes. A judicial mentor lectured on the applicability of human rights conventions to the laws of Cambodia as well as dealing with juveniles in the justice system.

54. The Judicial Mentor Programme maintains a close working relationship with the Ministry of Justice. Judicial mentors bring to the attention of the Ministry of Justice problems in the administration of justice, particularly at the provincial level, and formulate recommendations as appropriate.

55. Judicial mentors hold quarterly meetings with the Cambodian Bar Association and legal aid non-governmental organizations to share experience, make recommendations and raise issues of concern regarding the functioning of the legal profession.

56. OHCHR/Cambodia, in cooperation with the Ministry of Justice, organized quarterly workshops for prosecutors to review the activities of the prosecution department and the difficulties encountered.

5. Human rights reporting obligations and implementation of recommendations made by treaty monitoring bodies

57. Cambodia is party to the six main international human rights instruments and has submitted initial reports under the International Covenant on Civil and Political Rights, the International Convention on the Elimination of All Forms of Racial Discrimination and the Convention on the Rights of the Child.

58. OHCHR/Cambodia assists the Inter-Ministerial Committee on the Preparation of Human Rights Reports to the United Nations (IMC) in the preparation of reports to be submitted in accordance with the Government's obligations under the various international human rights instruments. During the reporting period, OHCHR/Cambodia continued to provide assistance to IMC to prepare the Government's report on the Convention on the Elimination of All Forms of Discrimination against Women. It provided advice on the interpretation of the Convention's provisions, on the guidelines for the preparation of Government reports issued by the Committee on the Elimination of Discrimination against Women, as well as assistance with research on the implementation of Government obligations on specific areas covered by the Convention.

59. At the time of writing this report, the draft report of the Government on the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, which was finalized by IMC in early 2000, is being reviewed by the Council of Ministers.

60. As part of efforts to pay more attention to the Government's implementation of recommendations by the treaty bodies, the Cambodian National Council for Children (CNCC), with the assistance of OHCHR/Cambodia and UNICEF, organized in January 2001 a National Workshop on the Royal Government's Follow-up to the Concluding Observations of the United Nations Committee on the Rights of the Child. The Workshop aimed at mobilizing the Government's attention on action to be taken to implement recommendations of the Committee on the Rights of the Child. Participants included officials from the various Ministries, members of CNCC, representatives of the judiciary, the police and non-governmental organizations. Recommendations were formulated through group discussion for Government action in the areas of coordination and monitoring, legislative reform, family and alternative care, health, education and leisure, child trafficking and exploitation, information and cultural activities. OHCHR/Cambodia will continue to provide assistance to CNCC and other relevant Government institutions on the implementation of the recommendations formulated by the Committee on the Rights of the Child.

61. OHCHR/Cambodia has started planning with the Government on the preparation of the report on the implementation of the provisions of the International Covenant on Economic, Social and Cultural Rights. It has also started discussing providing assistance to non-governmental organizations in the preparation of their report on the implementation of those provisions.

6. Support to and coordination with non-governmental human rights groups in Cambodia

62. With a view to enhancing the capacity of Cambodian non-governmental organizations and other civil society organizations to carry out activities in the field of promotion and protection of human rights,

OHCHR/Cambodia provides training, legal advice, other forms of technical assistance and financial support to them. In addition, non-governmental organizations are key partners in the implementation of the OHCHR/Cambodia programme, including in the areas of monitoring, investigation and protection, law reform, education, training, information and advocacy.

(a) Education

63. During the reporting period, OHCHR/Cambodia provided assistance to a newly established education non-governmental organization working group on human rights training contents and methodology. The working group has drafted a human rights training curriculum for the general population focusing on human rights and remedial action for violations, and is developing one for civil servants.

64. OHCHR/Cambodia started an Environmental Rights Advocacy Training Programme in cooperation with the NGO Forum in Cambodia. Reference materials were prepared, and a train-the-trainers course for staff from 20 Cambodian environmental non-governmental organizations operating in 10 provinces was conducted in December 2000. Between January and April 2001, the trained trainers conducted education sessions at the district and commune level for farmers, fishermen, monks, non-formal education teachers, representatives of Village Development Committees, and other interested community representatives, with the assistance of OHCHR/Cambodia. In May 2001, an assessment mission of the first phase of the Programme was conducted to assess the extent to which the Programme's approach, methodology and materials reflected the desired programme focus on advocacy and community mobilization. As a follow-up to the assessment, a workshop for community educators on environmental rights was planned for June 2001.

65. Monthly training sessions were conducted for women in difficult circumstances as part of a vocational training programme run by a social organization. Issues covered during the sessions included domestic violence, trafficking and exploitation issues, as well as non-discrimination in the social sphere, including education. OHCHR/Cambodia also participated in a training workshop on economic, social and cultural rights for non-governmental organizations to discuss non-governmental organization alternative reporting to the Committee on Economic, Social and Cultural Rights as a possible strategy to advance such rights.

66. As a follow-up to the workshop for OHCHR/Cambodia staff on HIV/AIDS and Human Rights, carried out at the end of 2000, OHCHR/Cambodia started assessing options for the implementation of education and other activities on human rights aspects of HIV/AIDS at the provincial level, preferably by linking up to initiatives undertaken by the AIDS National Authority, the Ministry of Health, clinics or non-governmental organizations. In May 2001, OHCHR/Cambodia participated in a workshop on HIV/AIDS and Human Rights organized by the Asia Pacific Council of AIDS Service Organizations (APCASO) for staff of non-governmental organizations working in both fields. Participants drafted three plans of action to tackle discrimination faced by people living with HIV/AIDS in the family and community, in the health care sector and in employment. A network was established in the form of an HIV/AIDS and Human Rights Advisory Group consisting of most of the non-governmental organization participants in the workshop and OHCHR/Cambodia.

67. Information on human rights education programmes and materials prepared by several Cambodian non-governmental organizations was collected and transmitted to OHCHR/Geneva for inclusion in the database established under the United Nations Decade for Human Rights Education project.

(b) Support to non-governmental organization projects

68. OHCHR/Cambodia continued to monitor the implementation of 14 human rights projects by Cambodian non-governmental organizations, which are funded under the United Nations Trust Fund for a Human Rights Education Programme in Cambodia. The provincial offices of OHCHR/Cambodia are being increasingly involved in the monitoring activities conducted at the provincial level. At the time of writing this report, 10 projects have been completed in the areas of:

(a) Implementation of a prisoners' literacy programme;

(b) Human rights education for police and prison officials on the human rights of women;

(c) Training on HIV/AIDS and human rights for medical workers;

(d) Strengthening of the human rights information management capacity of local non-governmental organizations;

(e) Investigation of human rights violations;

(f) Protection of and education for ethnic minorities.

69. Four projects in the areas of assistance in the establishment of a sex workers' collective; provision of legal aid to juvenile offenders and victims of crime; production of Khmer theatre pieces on human rights; and investigation of human rights violations and assistance to victims, are still ongoing. OHCHR/Cambodia monitors and provides assistance in the implementation of projects through field visits, observation of training activities, and regular review meetings.

70. Five new grants under the global Assisting Communities Together Project were provided to five Cambodian human rights non-governmental organizations for projects in the fields of training on labour and human rights law for garment factory workers; training on human rights, democracy and free and fair elections for general population and monks at the commune level in five provinces; and training on trafficking of human beings for women in remote areas. All the projects were completed in May 2001. Most projects were carried out in remote areas. OHCHR/Cambodia monitored and assisted with their implementation through field visits and joint evaluation sessions.

(c) Networking

71. OHCHR/Cambodia continued to participate in meetings of the Cambodian Human Rights Action Committee, a coalition of 17 non-governmental organizations that meets regularly and takes coordinated action on human rights issues. It also continued to provide assistance to the provincial branches of the Human Rights Action Committee to strengthen their monitoring and protection work.

72. OHCHR/Cambodia continued to facilitate meetings of the Human Rights Video Production Committee, composed of 12 non-governmental organizations, and assisted it in the preparation of proposals for the production of new videos on human rights issues.

73. OHCHR/Cambodia supported the participation of two human rights non-governmental organizations in the preparatory Asian NGO Networking Meeting in Nepal in April 2001 in order to encourage the involvement of Cambodian non-governmental organizations in the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance. It is also providing assistance in the organization of national activities in support of the objectives of the Conference.

(d) Cooperation on monitoring

74. OHCHR/Cambodia also continued its close cooperation with and assistance to several non-governmental organizations on protection matters. Joint activities and/or coordinated intervention actions were initiated in respect of specific incidents under investigation by the NGO Human Rights Action Committee, in particular by its Sub-action Committee on Investigation and it's Sub-action Committee on Trafficking and Sexual Exploitation. The Office also cooperated on protection activities with other individual non-governmental organizations working on issues regarding women and children victims of violence, trafficking and sexual exploitation; orphan children; illegal immigrants; persons living with HIV/AIDS; land disputes; labour issues, ethnic Vietnamese in Cambodia and asylum-seekers.

75. Consultations also continued with the Prison Health Sectoral Group, a group of non-governmental organizations providing assistance to prisoners, in particular to facilitate medical assistance to prisoners living with HIV/AIDS and prisoners being treated outside the prisons, and to supply medicines to prisoners.

(e) Cooperation on legal issues

76. Facilitating legal assistance to victims of human rights violations was possible in many cases thanks to the free legal assistance offered by some local non-governmental organizations, in particular by Legal Aid of Cambodia (LAC), the Cambodia Defence Project (CDP), the Cambodian Bar Association (CBA) and the Cambodian Women's Crisis Centre (CWCC). Victims of rearrests, forced and arbitrary evictions, land disputes, trafficking, excessive pre-trial detention and

violence against women and persons in detention unable to afford private legal services, and others, benefited from these services.

E. Preparations for the commune elections

77. Since the announcement of the date for the holding of the commune elections, scheduled for early February 2002, OHCHR/Cambodia has been carrying out a number of activities to contribute to national preparations for the elections. As mentioned above, OHCHR/Cambodia has been providing advice on the development of a legal framework consistent with international standards, including the law on election of commune councils and the National Election Commission's regulations. It has been investigating allegations of possible commune elections-related cases of violence and intimidation against members of political parties, mainly of the opposition. OHCHR/Cambodia is also part of local coordination mechanisms established among organizations active on or interested in preparations for the elections. A strategy for the role of OHCHR/Cambodia, including in support of the mandate of the Special Representative of the Secretary-General, has been developed, which includes monitoring, legal assistance, capacity-building and education activities.

F. Cooperation and coordination with the United Nations system and donors

78. OHCHR/Cambodia participates in a number of United Nations and donor coordinating mechanisms on human rights and rule of law issues. It regularly participates in the United Nations Theme Group on HIV/AIDS and the United Nations Technical Working Group on HIV/AIDS. In this context, OHCHR/Cambodia contributed to the development of the United Nations Common Strategy 2001-2005, outlining the United Nations work in support of the national response to the HIV/AIDS epidemic in Cambodia, of discussions on the National Strategic Plan by the Cambodian National AIDS Authority, and of advocacy initiatives undertaken by the United Nations Theme Group to promote the human rights of people living with HIV/AIDS in Cambodia. A United Nations country team workshop on the implementation of the United Nations Common Strategy was planned for June 2001.

79. OHCHR/Cambodia also participates in the bi-monthly meetings of the Inter-Agency Working Group on Commercial Sexual Exploitation and Trafficking of Women and Children in Cambodia. The Working Group brings together United Nations and international agencies, non-governmental organizations and bilateral donors implementing programmes in this area, with the main purpose of exchanging information to facilitate coordination. Participants in the meetings include IOM, UNICEF, the International Labour Organization-International Programme on the Elimination of Child Labour (ILO-IPEC), the Cambodian National Project in the Mekong Sub-Region, the Australian Agency for International Development (AusAID), and several international non-governmental organizations.

80. OHCHCR/Cambodia attends the meetings of the Donor Working Group on Good Governance, as well as other meetings on governance, judicial and legal reform issues convened by the World Bank in the framework of the Consultative Group on Cambodia.

G. OHCHR/Cambodia staff, and the financial situation of the United Nations Trust Fund for a Human Rights Education Programme in Cambodia

81. OHCHR/Cambodia is composed of one main office located in Phnom Penh, eight provincial offices and six judicial mentors' offices. The structure of OHCHR/Cambodia includes the Chief's office, the Legal Assistance Unit, the Education, Training and Information Unit, the Monitoring and Protection Unit, the Administration Unit, the Provincial Office Network and the Judicial Mentor Programme. OHCHR/Cambodia staff includes 45 local and 19 international professionals.

82. The provincial offices are located in: Battambang, Banteay Meanchey, Kompot, Kompong Cham, Prey Veng, Siem Reap, Malai and Pailin. The network currently comprises 3 international human rights officers (3 United Nations Volunteers) and 14 national human rights assistants.

83. The Judicial Mentor Programme is located in the following six courts: Kompong Cham Provincial Court, Supreme Court, Phnom Penh Municipal Court, Battambang Provincial Court, Svay Rieng Provincial Court and Prey Veng Provincial Court. The Programme comprises six professionals and six assistants.